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Japan

Government Plan for UN Peacekeeping Operations

SDF Reserve Involvement Ruled Out

OW0503095291 Tokyo KYODO in English 0929 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—Prime Minister Toshiki Kaifu said on Tuesday the government is drawing up a plan of Japanese involvement in U.N. peacekeeping operations without the participation of Self-Defense Forces (SDF) reserves.

Kaifu, speaking at a House of Councillors' Budget Committee meeting, made the remark in response to questions on the possibility of SDF reserves' involvement in such U.N. activities. Kaifu said the government is studying a plan based on last November's agreement between the ruling Liberal Democratic Party (LDP) and two centrist opposition parties, Komeito, and the Democratic Socialist Party (DSP).

The three parties agreed to establish a new organization separate from the SDF to provide personnel assistance to U.N. peacekeeping operations abroad on November 8, when the House of Representatives killed a government-proposed U.N. Peace Cooperation Bill.

Defense Agency officials said they regard SDF reserves as those people who have returned to civilian life after leaving SDF jobs, and who intend to return to military service if called up. They also receive military training twice a year, the officials said. According to the agency, there are about 47,000 SDF reserves in Japan.

Following the prime minister, Shigeru Hatakeyama, director of the Defense Policy Bureau, also said it may be difficult to describe SDF reserves as civilians.

Meanwhile, Takenori Kanzaki, chairman of the Komeito's Diet policy committee, told reporters earlier in the day that he doubts whether SDF reserves belong to an organization separate from the SDF because they will also take orders from the director general of the Defense Agency.

Kaifu on Ammending UN Charter

OW0503054191 Tokyo NHK General Television Network in Japanese 1000 GMT 4 Mar 91

[Text] At the House of Councillors today, the Budget Committee began deliberations on the 1990 supplementary budget plan which would allow the government to contribute an additional $9 billion to the multinational forces. Questions on the plan were posed by Mr. Hiroshi Miyazawa of the Liberal Democratic Party, Mr. Shoji Motooka, Mr. Masakazu Yamamoto, and Mr. Junichi Ogawa of the Social Democratic Party of Japan [SDPJ].

Speaking at the session on the so-called UN PKO—peacekeeping operations—Prime Minister Kaifu noted that there is no explicit mention of the UN peacekeeping operations in the UN Charter and said that he is in favor of these operations being expressly described in the charter. Thus, he indicated that UN peacekeeping activities, which are at present unwritten practices, should be defined explictly in the UN Charter. These are UN activities to form peacekeeping forces or monitoring groups, based on UN resolutions, to supervise ceasefires or prevent clashes in regions of conflict.

Foreign Minister Nakayama reported in detail on the impact of the Gulf war on the economies of other Asian countries. He said that the return of overseas workers from Iraq or Kuwait and the rise in oil prices are having a serious impact. He said that many Asian countries are in the red--Pakistan, $1.4 billion; India, $2.9 billion; Bangladesh, $ .5 billion; Sri Lanka, more than $100 billion; and the Philippines, $ 1.4 billion. Mr. Nakayama reiterated the governement position that Japan is willing to offer active support to these Asian countries.

Logistic Support Planned

OW0203135091 Tokyo KYODO in English 1208 GMT 2 Mar 91

[Text] Tokyo, March 2 KYODO—The Japanese Government is drawing up a plan to set up a logistic support corps to assist United Nations-sponsored peacekeeping operations in world trouble spots, government sources said Saturday.

Japan could play a role in logistic support for U.N. peacekeeping activities, the sources said, while noting no country has ever dispatched such a team.

The government has been studying what type of a corps Japan should set up to assist peacekeeping activities since the United Nations Peace Cooperation Bill was killed last November by strong resistance from opposition parties.

The abortive legislation, which was hastily drawn up and submitted to the Diet six weeks after Iraq invaded Kuwait August 2, would have allowed Japan to dispatch military personnel abroad for the first time since World War II. The bill calls for sending Self-Defense Forces [SDF] noncombat personnel, transport planes and supply ships overseas as part of U.N. peacekeeping activities.

Opposition parties say the dispatch of the SDF overseas is counter to the Constitution which renounces war and bans the country from using force to settle international disputes.

When the government-proposed bill was scrapped, the ruling Liberal Democratic Party (LDP) and two opposition centrist parties—Komeito and the Democratic Socialist Party (DSP)—agreed to draw up an alternative. The three parties agreed at the time to establish a corps to join U.N. peacekeeping and humanitarian relief operations based on U.N. resolutions, as well as disaster relief operations abroad. U.N. peacekeeping operations involve deploying peacekeeping forces, truce supervision corps, and election monitoring teams.

Government officials say there are obstacles to Japan's participation in peacekeeping forces because force is banned under the pacifist Constitution. Japan also finds it difficult to take part in U.N. truce supervision activities because the force's commanders must be active military officers, the sources said.

Japan sent election monitoring personnel to Namibia in 1989.

Bank Chief: No Economic Impact From War's End

OW0503052191 Tokyo KYODO in English 0500 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Tuesday that the impact of the end of the Persian Gulf War will not make an immediate impression on the economy, but will definitely reduce uncertainty over its future outlook.

"We would like to fully assess its impact to determine the future direction of the economy," he said at a House of Councilors Budget Committee meeting.

When questioned on monetary policy, Mieno said: "The practice of passing on rising personnel and distribution costs to consumers is still not over, and corporate liquidity in hand remains at a high level." "We are monitoring the effects of our current credit tightening," he said.

On global fund demands emerging in the wake of the Gulf War to finance reconstruction, Mieno said the huge restoration costs of the Middle East on top of financial demands for the Soviet Union and unified Germany, will push up overall global fund demand.

"But we'll have to take a long-range view to see whether or not a fund shortage does materialize," he said.

Travel Restrictions to Middle East Lifted

OW0503102491 Tokyo KYODO in English 1010 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—The government Tuesday lifted its evacuation warning for Japanese residents in the region and travel restrictions to several Middle East nations following the ceasefire in the Persian Gulf war.

The evacuation warning was lifted for Japanese residents of Riyadh and the eastern part of Saudi Arabia, Bahrain, Qatar, Syria, and Israel, Foreign Ministry officials said.

The government also lifted recommended voluntary sightseeing travel restrictions for the above areas, the United Arab Emirates (UAE), and southeast Turkey. However, the government advisory remains valid for Iraq, Kuwait, and Jordan, for residents, tourists, and business travelers.

Recommendations for voluntary sightseeing travel restrictions also remain in Pakistan, Iran, Egypt, Libya, Tunisia, Algeria, Mauritania, Sudan, and Nigeria. Some caution is still requested for travel in Greece and Bangladesh.

Among the regions, it is confirmed there were 186 Japanese people in Saudi Arabia, seven in Bahrain, 24 in Qatar, 465 in the UAE, 200 in Israel, 24 in Syria, and one in Jordan, at the end of last month, the Foreign Ministry said.

Defense Agency Sources on U.S. Defense Report

OW0203074791 Tokyo KYODO in English 0724 GMT 2 Mar 91

[Text] Tokyo, March 2 KYODO—Japan considers the fiscal 1992 U.S. defense report presented to Congress Friday a reflection of American self-confidence as a world leader to play a crucial role in recovering security and order in the world, Defense Agency sources said Saturday.

The report, presented by U.S. Secretary of Defense Dick Cheney, said that regional hostilities such as Iraq's invasion of Kuwait and the Soviet crackdown on the democratically elected governments of the Soviet Baltic republics remain as threats to security in the post-cold war era. It also calls for Japan to make every effort to increase its financial share of keeping U.S. forces in Japan, extend advanced military technology to the U.S, and step up its sealane defense capabilities.

The sources said that Washington expressed hope in the report, as it has before, for Tokyo to strengthen its military cooperation with the U.S. and that Japan would not face an immediate need of reviewing its defense policies.

But they said that the U.S. Government is likely to ask Japan in specific terms in future talks, such as a bilateral defense meeting expected in May, to buy U.S.-made arms and extend advanced Japanese technology to that country.

The sources also said it is appropriate that in the report the U.S. sees possible regional conflict and uncertainties in the Soviet Union and Eastern Europe as a threat, and points out the necessity of reviewing its plan to reorganize and reduce U.S. forces in Asia and other regions.

Joint Price Survey Planned With United States

OW0503055991 Tokyo KYODO in English 0417 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—Japan will conduct a price survey jointly with the United States this spring as part of an effort to correct price differentials between both nations, government officials said Tuesday.

The decision to hold the survey was made Tuesday morning at a meeting of a task force on the price differential problem comprised of members of Prime Minister Toshiki Kaifu's Cabinet and officials of the ruling Liberal Democratic Party (LDP), the officials said.

The survey will be a follow-up to one conducted in October 1989 in Tokyo, Osaka, New York, and Chicago for 44 product categories.

The first survey showed that prices of domestic and foreign products were extremely high in the Japanese market, compared with those in the United States. In New York, for example, Japanese-made spark plugs cost only 54 percent of what they cost in Tokyo or Osaka.

Japan and the U.S. negotiated detailed arrangements for the second price gap survey, including survey items, after the Structural Impediments Initiative (SII) trade talks last year, in which Japan promised to survey and publicize high price differentials, and to implement 52 measures to reduce such differentials.

The Government at the task force meeting Tuesday approved 22 measures to correct price gaps, including easing regulations, stabilizing prices by promoting imports, fixing reasonable public utility charges, and setting fair land prices.

Mutsuki Kato, chairman of the LDP Policy Affairs Research Council, was quoted as saying at the meeting: "We should make efforts to reduce charges for water supplies, Japan railways fares, and medical care costs, in which consumers have few options."

Toshio Yamaguchi, chairman of the LDP's Special Committee on Economic Coordination, urged tackling the issue of reducing domestic air fares, which he said are higher than international levels because of high labor costs in Japan.

Finance Minister Reacts to Rise in Dollar Value

OW0503034691 Tokyo KYODO in English 0128 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—Finance Minister Ryutaro Hashimoto said on Tuesday the the U.S. dollar's rise since the end of the Persian Gulf War is based on a "psychological market mood," and does not reflect U.S. economic fundamentals.

The finance minister, speaking at a press conference after a Cabinet meeting, said further losses in the value of the yen against the U.S. currency would have an adverse effect on the country's domestic prices.

The dollar posted significant gains late last week and early this week in New York, European, and Tokyo currency markets after the ceasefire in the Persian Gulf. In New York, it rose to close at 135.50-60 yen late Monday, up 0.90 yen from Friday's finish.

In referring to the lifting of a freeze on Kuwaiti assets in Japan, Hashimoto said there would be no turmoil in the world's markets, though he did not elaborate.

Japan decided last week to allow seven Kuwaiti banks to draw on their assets in Japan, frozen since Iraq's August 2 invasion of the oil-rich Emirate, from mid-March.

Kanemaro on U.S.-DPRK Nuclear Talk Mediation

OW0403051491 Tokyo NHK General Television Network in Japanese 1000 GMT 3 Mar 91

[Text] Former Deputy Prime Minister Kanemaru of the ruling Liberal Democratic Party [LDP] has revealed that he is ready to act as intermediary for talks between the United States and North Korea, the DPRK, on the issue of nuclear inspections of North Korea by an international agency. He made the revelation in a lecture he gave in Minokamo City, Gifu Prefecture, today.

In the lecture, the former deputy prime minister said: The resolution of the issue of nuclear inspections of North Korea is indispensable for improving relations between Japan and North Korea, and this requires talks between the United States and North Korea. I have made this proposal to the North Korean side. I understand, on the other hand, that U.S. President Bush wants to meet me. As far as I am concerned, I think it is only natural to consider such Japan-U.S. talks for improving relations between Japan and North Korea.

This statement by former Deputy Prime Minister Kanemaru is meant to clarify his readiness to visit Washington for talks with President Bush, if circumstances require, in order to break the deadlock in the issue of nuclear inspections of North Korea by an international agency. He takes into account the talks he had with President Kim Il-song and other North Korean leaders during his visit to Pyongyang last year. Nuclear inspections of North Korea are called for by the United States. Thus, Mr. Kanemaru made clear his readiness to act as intermediary between the United States and North Korea for setting up a venue for talks between them.

Government Eases Ban on Travel to North Korea

OW0503014591 Tokyo KYODO in English 0025 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—The Government on Tuesday empowered local authorities to strike out the ban on travel to North Korea in Japanese passports beginning from April 1, the Foreign Ministry said.

A Foreign Ministry official said the prefectural governments have been empowered to remove the restriction on application by holders of existing passports.

There are 17 million passports containing the stipulation that the document is not valid for North Korea, the sole country on the exclusion list.

The Japanese Government decided in December to remove the clause following the improvement in Tokyo-Pyongyang relations since last fall. The two nations, which have no diplomatic relations, are now engaged in negotiations to normalize ties, with the next round of talks scheduled for next week in Tokyo.

Ministry Gives ROK List of Forced Laborers

OW0503110091 Tokyo KYODO in English 1031 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—The Labor Ministry on Tuesday handed over to the South Korean Embassy a list of 90,000 Koreans compulsorily brought to Japan as forced labor during World War II.

The result of the ministry's ongoing investigations, however, falls far short of estimates made by a U.S. research group, which contends that some 667,680 Koreans and Chinese were forced to labor in Japanese mines and factories.

The pro-Pyongyang General Association of Korean Residents in Japan (Chongnyon) has estimated that between two million and 5.5 million Koreans were forcibly brought to Japan for the war effort. Officials here said they expect the South Korean Government and public opinion will be dissatisfied with the list handed over Tuesday.

Tuesday's list of 90,804 names may also duplicate a number of names from a list of 79,570 released by the Labor Ministry last August, the officials said.

Some holders of registers of Koreans refused to turn their lists over to South Korea and 386 names are known to have been held off the list.

Private researchers discovered 4,620 names in the records of iron works factories in Iwate and Osaka Prefectures under a report on Korean laborers who had not been paid their wages. Another document in a library in Monbetsu, Hokkaido, recording the readings of names of insurance holders revealed the names of 2,588 Koreans.

The Labor Ministry has made two copies of the lists, handing over one set to the South Korean Government, while holding onto the originals and the second set of copies.

The ministry said Tuesday, "this does not mean that the investigation is completed. As information becomes available, we will investigate and verify."

Pak Kyong-sik, of a research institute familiar with the history of Korea's forced laborers in Japan, said, "the Japanese Government should be more serious about the investigations. Again, it has been the efforts of private researchers who have made progress."

Pak said the forced labor issue would have to be cleared in order to grasp Japan's responsibility in the war and in its colonization of Korea. He strongly requested that investigations in the future also scrutinize the Japanese military.

Reportage on Tokyo Gubernatorial Election

SDP Nominates Academic Ohara

OW0503014891 Tokyo KYODO in English 1455 GMT 4 Mar 91

[Text] Tokyo, March 4 (KYODO)—The Social Democratic Party [SDP], the country's largest opposition force, will field Mitsunori Ohara, professor at Chuo University, in the Tokyo gubernatorial election next month, party sources said Monday.

Ohara will join incumbent Governor Shunichi Suzuki, former TV anchorman Hisanori Isomura and academic Shigeo Hatada on the ballot.

Pro wrestler-turned politician Antonio Inoki and self-styled conservative independent Makiko Hamada are also vying for the Tokyo governorship.

SDP Tokyo Chapter Agrees

OW0503061491 Tokyo KYODO in English 0549 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—The Tokyo chapter of the Social Democratic Party (SDP) announced on Tuesday it would nominate Chuo University Prof. Mitsunori Ohara as the party's candidate in April's Tokyo gubernatorial election.

Ohara has indicated that he is willing to run, and official endorsement by the party national leadership is expected to be a matter of procedure, as he has the backing of the party hierarchy, including Chairwoman Takako Doi.

A native of Fukushima Prefecture and a graduate of Chuo University, Ohara, 64, is an authority on municipal and regional politics. He served as one of the leading intellectuals behind the administration of the late Tokyo Gov. Ryokichi Minobe in the 1970s.

Ohara's nomination, barely two weeks before the official proclamation of the election, brings the number of candidates to six.

The other candidates include incumbent Governor Shunichi Suzuki, who is backed by the Tokyo chapters of the Liberal Democratic Party (LDP) and Democratic Socialist Party (DSP), and former Japan Broadcasting Corporation (NHK) anchorman Hisanori Isomura, who is backed by the DSP and the LDP at the national headquarters level, and by Komeito.

Ohara will also be running against Makiko Hamada, a fellow at Harvard University and the wife of an LDP legislator, Antonio Inoki, a professional wrestler who represents the Sports Peace Party in the House of Councilors, and Shigeo Hatada, an academic backed by the Japanese Communist Party.

Ohara's nomination ends several weeks of indecision within the SDP (formerly the Japan Socialist Party), beginning on February 11 when the party's Tokyo chapter announced it would not abide by the party's national headquarters decision to give up the attempt find a candidate.

Doi Backs Candidate

OW0503123191 Tokyo KYODO in English 1108 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—The Social Democratic Party (SDP) on Tuesday made a formal decision to nominate Chuo University Prof. Mitsunori Ohara as the party's candidate in April's Tokyo gubernatorial election.

The SDP Central Executive Committee and the party national leadership made the formal, unanimous decision after the Tokyo chapter of the party recommended that the committee nominate Ohara.

Ohara agreed to run as the party's candidate, said SDP Chairwoman Takako Doi, who met reporters in the Diet building shortly after the end of the committee meeting.

A native of Fukushima Prefecture and himself a graduate of Chuo University, Ohara, 64, is an authority on municipal and local politics. He served as one of the leading intellectuals behind the administration of the late Tokyo Gov. Ryokichi Minobe in the 1970s.

Doi told reporters Ohara has a good grasp of the complicated metropolitan problems facing Tokyo residents. She said the SDP, formerly the Japan Socialist Party, will make every effort to help Ohara win the election to be held on April 7, adding the party will ask trade unions and civic groups to back him.

Trade Unions, backers of the SDP for many years, have accused the party of being slow to decide on a candidate. On February 11 the party's Tokyo chapter announced it would not abide by a national headquarters decision to give up the attempt to find a candidate.

Ohara's nomination, barely two weeks before the official start of the election campaign, brings the number of candidates to six.

The other candidates include incumbent Gov. Shunichi Suzuki, who is backed by the Tokyo chapters of the Liberal Democratic Party (LDP) and the Democratic Socialist Party (DSP), and former Japan Broadcasting Corp. (NHK) anchorman Hisanori Isomura, who is backed by the DSP and the LDP at the national headquarters level, as well as by Komeito.

Ohara will also be running against Makiko Hamada, a research fellow at Harvard University and wife of an LDP legislator, Antonio Inoki, a professional wrestler who represents the Sports Peace Party in the House of Councillors, and Shigeo Hatada, an academic backed by the Japanese Communist Party.

Protestor Arrested During Doi Campaign Speech

OW0203084891 Tokyo KYODO in English 0840 GMT 2 Mar 91

[Text] Nagano, March 2 KYODO—A right-wing protester was arrested Saturday when he attempted to interfere with a campaign speech by Social Democratic Party (SDP) leader Takako Doi at a park in Matsumoto, Nagano Prefecture, police said.

Police said Doi, chairwoman of the nation's largest opposition party, formerly called the Japan Socialist Party, was not injured in the incident.

They identified the arrested man as Shinichi Yamazaki, 30, a member of a right-wing group based in Gifu.

Police said the incident occurred about 1:20 P.M. when Doi was speaking to about 2,000 people as she stood on the roof of a campaign car.

Yamazaki told police that he tried to stop Doi's speech to protest her party's policy on the Persian Gulf war.

Construction Minister Implicated in Scandal

OW0403061591 Tokyo KYODO in English 0545 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—The government said Monday it will investigate allegations that Construction Minister Yuji Otsuka failed to report 40 million yen in political donations from Recruit Co., the information conglomerate at the center of a funds-for-political-favors scandal three years ago.

Bowing to opposition demands, Chief Cabinet Secretary Misoji Sakamoto told a Budget Committee session at the House of Councillors that the government would report its own findings on the allegations, published Sunday in the SANKEI SHIMBUN.

Otsuka, appointed construction minister last December 29, also appeared before the committee and denied the allegation that he received 40 million yen from Recruit Co. on five occasions between 1985 and 1988.

Otsuka said: "when I joined the Cabinet, I reported having received 1 million yen (from Recruit) in 1983 as campaign funds. But I registered it in accordance with the Political Fund Control Law." He said he had consulted with his secretaries at the time, and determined there was "absolutely nothing else."

The SANKEI report said Otsuka violated the Political Fund Control Law because the funds were not reported to the Home Affairs Ministry.

Toshiki Kaifu became prime minister in 1989 partly due to his "clean" image, after the Recruit scandal and a sex scandal respectively helped unseat two of his predecessors, Noboru Takeshita and Sousuke Uno.

Kaifu has vowed to keep scandal-tainted politicians out of his cabinet.

Twelve people, including two politicians, were charged in the scandal, in which Recruit was found to have distributed over 1.5 billion yen to politicians, business leaders, and government officials over a two-year period from 1986 until the incident was uncovered in the summer of 1988.

Much of the money was distributed as unlisted shares, cash contributions, and through the purchase of tickets to political fund-raising parties.

MITI To Talk With U.S. Machine Tool Makers

OW0103134191 Tokyo KYODO in English 1223 GMT 1 Mar 91

[Text] Tokyo, March 1 KYODO—The Ministry of International Trade and Industry (MITI) said Friday that conferences on the procurement of U.S. machine tools will be held in San Antonio, Texas on April 27 and Detroit, Michigan on May 7.

The arrangement is part of a cooperative effort by the U.S. and Japan, based on a Japan-U.S. machine tool agreement, to reinvigorate the U.S. machine tool industry, ministry officials said.

The two separate rounds of business negotiations are aimed at facilitating procurement of parts processing machines by processing subcontractors and plants of Japanese firms that have advanced into the U.S.

Cargill Detroit Corp. and 35 other U.S. firms will participate in the Detroit round, and eight have agreed to hold tours through their factories.

The ministry has sent information regarding the conferences to several hundred Japanese firms, and plans to select the firms that will take part, the officials said.

Cultural Exchanges With Soviet Union To Expand

OW0503114991 Tokyo KYODO in English 1116 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—Japanese and Soviet officials on Tuesday agreed to expand sports, art, and other cultural exchanges during 1991-1992 on the first day of two-day talks, Foreign Ministry officials said.

The two-year program, the second such bilateral exchange pact, is expected to be signed when Soviet President Mikhail Gorbachev visits Tokyo in April, the officials said.

On Wednesday, the two sides will discuss on possible exchanges in other areas, including cooperation in preservation of heritage and support for contemporary Japanese study in the Soviet Union, the officials said.

Joint Concern for Soviet Investment Planned

OW2802161791 Tokyo KYODO in English 0948 GMT 28 Feb 91

[Text] Niigata, Feb. 28 KYODO—Niigata Chuo Bank and 57 other Japanese companies will set up a joint concern on Friday to promote investment in the Soviet Union, bank officials said Thursday.

The Soviet investment Environment Adjustment Corp. will handle consulting and provide information regarding investments in the Soviet Union, as well as conduct market research in order to support Japanese-Soviet joint businesses, they said.

The new company will be based in Niigata on the Sea of Japan coast with paid-up capital of 1.5 billion yen and a branch office in Tokyo. It plans to open representative offices in the Soviet far east cities of Vladivostok and Khabarovsk.

Companies involved in the joint project will consist of 27 concerns from Niigata and 31 others from Tokyo. The Niigata Prefectural Government will also have an equity stake in the new firm.

Export-Import Bank To Grant Loan to CSFR

OW0203072591 Tokyo KYODO in English 0707 GMT 2 Mar 91

[Text] Tokyo, March 2 KYODO—The government-financed Export-Import Bank of Japan plans to provide a 200 million dollar structural adjustment loan to Czechoslovakia, the first of its kind to that country, government sources reported Saturday.

The sources said the untied loan, expected to be provided jointly with the International Monetary Fund (IMF), will be part of Japan's efforts to help promote democratization and transition to market economies in Eastern Europe. The loan will carry an annual interest rate of about 7 percent, the sources said.

Czechoslovakia's economy deteriorated after the country joined the United Nations-imposed sanctions against Iraq and halted arms exports to the Gulf state. Czechoslovakia has asked Japan, the United States, and the European Community to provide aid totaling 5 billion dollars. The IMF decided in January to extend 1.7 billion dollars in aid to Czechoslovakia.

The Japanese bank also plans to provide similar loans to Hungary and other East European nations now the Persian Gulf war is over, the sources said.

Ministry on Increase in Skilled Foreign Workers

OW0203092691 Tokyo KYODO in English 0914 GMT 2 Mar 91

[Text] Tokyo, March 2 KYODO—More foreign workers with specialized knowledge or abilities are entering Japan since the immigration law was revised in June, the Ministry of Justice said Saturday.

The revised law placed heavier restrictions on the entry of unskilled laborers, but eased restrictions on skilled workers. As a result, the number of foreigners entering Japan between June and November last year as "trainees" with a view to later switching to skilled status grew 32.6 percent to about 22,000 from the same period the previous year.

There was a marked 55.8 percent increase to 11,500 in the number of those enrolled at Japanese language schools or other academic institutions. The total number of foreigners entering Japan grew to about 1,575,000, a 15.5 percent increase.

A Ministry spokesman said the figures have not been properly analyzed, but suggested the increase probably reflects active acceptance of people who meet the requirements despite tightened standards used in screening entry qualifications. The new standards were introduced to prevent an increase in unskilled workers entering the country as "trainees."

Some sources close to the ministry, however, say people using formal entry to language schools and other institutions to gain work in unskilled fields are one of the main reason for the increase.

Chinese made up the largest number of entrants in the trainee category. They numbered about 5,800, representing a 3.2-fold increase.

Under the educational category, which includes language schools, Chinese entrants almost doubled from 3,238 to 6,058. They were followed by South Koreans, who grew 1.4-fold to about 2,900.

The number of Brazilian entrants showed an almost two-fold increase to about 34,000. Unskilled Brazilians are permitted entry if they are of Japanese ancestry.

Samurai Market Poised for Record-Breaking Year

OW0403123191 Tokyo KYODO in English 1218 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—Foreign institutions are actively offering yen-denominated bonds, known as Samurai Bonds, and some underwriters say the scale of offerings could hit a record for the second year in a row.

According to the Bond Underwriters Association, nine Samurai issues were offered for 106.0 billion yen in the first two months of this year, an increase of six offerings and 46 billion yen in value from the same period last year. The Samurai boom comes in a carryover of an offering binge last year, when 66 issues were floated for a record 1.20 trillion yen.

Officials at Japanese banks and brokerage houses said there was heated competition among banks to serve as trustees for Samurai issues and among brokerage houses to grab more jobs as lead underwriters for the issues.

"It's possible we'll see another record year as the size of offerings could surpass last year's," says a manager at one of the big four brokerage houses.

He and others involved in the Samurai market also pointed out the growing demand for yen funds as a global credit crunch prompts foreign borrowers to tap the Samurai market. Also, they cited a relaxation of the rules governing Samurai offerings in October 1988 and the development of more sophisticated, less-risky Samurai issues such as dual currency-issues.

Dual-currency issues are those in which the principal is paid in yen and coupons are in foreign currencies, or vice versa. They allow borrowers to reduce the risks involved in exchange-rate fluctuations.

Some bankers and brokers are also counting on China's return to the market after being forced to give up its Samurai offerings when Japan imposed sanctions because of the June 1989 Tiananmen incident.

"We'll be seeing a year when the Samurai market becomes a full part of Japan's capital market," an official at one long-term credit bank said.

Bank Survey Shows Industry Optimism Waning

OW0503101791 Tokyo KYODO in English 0729 GMT 5 Mar 91

[Text] Tokyo, March 5 KYODO—Japan's major corporations are becoming less upbeat about their business prospects in the coming fiscal year, according to a quarterly survey published by the Bank of Japan (BOJ) on Tuesday.

The central bank's closely watched index of business confidence for major manufacturers remained on a downward path, falling to 39 from 42 in the prior survey. The business sentiment index is the percentage of companies expecting a business pickup minus that of corporations envisioning a contraction.

Despite the decline in the index for the sixth consecutive survey, the central bank remains optimistic, saying the figure is still at a "considerably high level." A BOJ official said: "The figure is stronger than had been expected. Big companies remain fairly bullish, excluding those in the raw materials sector."

The latest survey, conducted in mid-January through mid-February, covered 7,491 companies nationwide, both manufacturers and nonmanufacturers, including 690 major corporations.

The so-called "tankan" report also said that leading companies were less keen on investment in plant and equipment, projecting a rise of only 1.1 percent in such outlays in fiscal 1991, starting April 1, compared with a revised 16.9 percent growth in the current fiscal year.

Major manufacturers expect their spending to fall 1.1 percent in the coming fiscal year for the first decrease since fiscal 1987.

The BOJ official, briefing reporters on details of the survey, said the central bank will monitor how the shift in the internal and external environments will affect "corporate psychology" and their investment policies, an apparent reference to the end of the Persian Gulf war.

The business confidence index also showed that pessimism was greater among steel, chemical, and other raw materials firms, both large and small, than among companies in the processing sector. Sentiment among small-to-medium scale manufacturers was little changed, with their index being almost flat at 29 against 30 in the previous report. As with manufacturers, nonmanufacturing companies were feeling the slowdown in the pace of the nation's economic growth, as high interest rates boost the cost of money, particularly for property, services, and leasing concerns, the report said. The index for major nonmanufacturers stood at 44, down from 47 in the November survey.

The report, which included seven smaller surveys, also said that while major manufacturers expected slower corporate spending, big nonmanufacturers planned modest 2.7 percent growth in their expenditures.

Capital investment by smaller firms is also losing steam, with their spending plans pointing to a 14.9 percent drop in fiscal 1991 from a revised 11.9 percent rise in the current fiscal year.

The BOJ survey showed businesses moderating their expectations for both sales and profits for fiscal 1991.

Major manufacturers expect the growth in their sales in the new fiscal year to decline to 3.7 percent, from a revised 9.1 percent in fiscal 1990, though nonmanufacturing concerns projected stronger sales. Big manufacturers also predicted their profits for fiscal 1990 would show the first downswing in four years. Steel and automobile makers were bracing for a major decline.

With real estate and leasing firms feeling the pinch, earnings of nonmanufacturers tumbled into the negative column.

The central bank also reported that many companies see the balance of product supply and demand as easing but still substantially tight.

On the price front, rising costs of labor, transportation, and materials mean companies continue to expect higher prices for both materials and products, despite falling prices for crude oil and petroleum products. "We welcome the subdued effect of oil prices, but other factors like higher labor and raw materials cost are still placing pressure on product prices," the BOJ official said. "Prices need to be watched continuously."

The corporate perception about the present labor shortage is unchanged, with most companies feeling labor is in short supply.

The percentage of companies reporting a surplus of workers minus that of those reporting shortages was unchanged from the peak of minus 46. The report also showed a widespread "credit crunch" for Japanese industry. With banks more reluctant to lend, fewer companies see it as being easy to obtain cash in the latest survey than in the previous one, with leasing and property firms expressing particular concern.

Firms' Pretax Profits Down 3 Percent in 1990

OW0403132391 Tokyo KYODO in English 1302 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—Japanese firms' pretax profits should fall 3.0 percent in fiscal 1990 ending March 31, down from an earlier-projected decline of 2.2 percent, according to a survey released Monday by the Okasan Economic Research Institute.

Institute officials blame the downward revision in part on a larger-than-expected decline in manufacturing firms' profits to 2.1 percent from 1.0 percent.

The decrease in manufacturing firms' profits has forced the decline in profits of other industries, such as those for processed goods and raw materials. However, the drop in the book value of company stock holdings reported for the mid-year closing of accounts last September has been mostly erased by the recovery of the Tokyo stock market, the institute said.

Okasan revised upward the estimate on pretax profits for fiscal 1992 ending March 1993 to 7.1 percent from its original forecast of 4.4 percent. It traced the upward revision to the positive effects of an expected stronger yen and a drop in oil prices. "Business performance should hit bottom in the second half of fiscal 1991," an Okasan official said.

The survey was taken on 369 firms listed in the first section of the Tokyo Stock Exchange, excluding banks, insurers, and brokerage houses.

EPA Faulted for Optimistic Price Predictions

OW0403052291 Tokyo KYODO in English 0448 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—Eiji Suzuki, president of the Japan Federation of Employers' Associations (Nikkeiren), on Monday criticized the Economic Planning Agency's (EPA) optimistic price predictions, officials said.

In a meeting with EPA Director General Michio Ochi and other EPA officials, Suzuki said, "we are worried that the EPA's optimism about prices will lead it to feel relaxed about wage hikes, which might result in added pressure on prices," the officials said.

Shrugging off repeated warnings by the Bank of Japan (BOJ) and the Finance Ministry, the EPA has consistently asserted that prices are in stable margins, urging the central bank to cut the official discount rate to prop up the cooling economy.

The upcoming annual labor-management negotiations on wages, known as "Shunto," a barometer of changes in wages, has drawn extraordinary attention from Japan's monetary authorities as well as business circles. This is because higher labor costs amid an acute labor shortage have become increasingly evident in domestic prices, particularly at retail levels.

The Nikkeiren chief was also skeptical whether the government can hold consumer prices to its targeted rise of 2.4 percent for fiscal 1991, ending on March 31, 1992, warning that recent prices are too high for the target to be achieved.

After scoring the steepest increase in nine years in January, consumer prices in the Tokyo metropolitan area, which foreshadow retail prices nationwide, rose at a lower but still hefty rate of 3.8 percent in February.

In response to the warning, the EPA chief said the government is striving to secure stability in prices by monitoring prices of petroleum products and fresh vegetables.

A high-ranking EPA official also said prices, though pegged high at present, will be brought under control.

Stiffer Enforcement of Antitrust Law Recommended

OW0403085791 Tokyo KYODO in English 0833 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—Japan should further tighten its enforcement of the antitrust law against illegal cartels in the interests of not only foreign competitors but also consumers, a business group urged Monday.

The Japan association of Corporate Executives (Keizai Doyukai), in a recommendation, called for the scrapping of a vast number of exceptions seen in application of the antimonopoly regulation.

While saying the Japanese antimonopoly law is stiffer than those in the United States and Western Europe, the association said the law excludes more than 250 cases of cartels, far more than the international standard.

"In view of protecting consumers, the irregularities should be scrapped in principle, unless they are duly necessary," it said.

The seven-page recommendation also pressed on both the government and the business world to push ahead with the ongoing shift in Japanese industry, in line with the spirit of the final agreement last June on the Japan-U.S. Structural Impediments Initiative (SII) talks.

In addition to the antitrust regulation, it features the "keiretsu" system, or exclusive business ties based on crossover shareholdings, and other business practices in Japan which are under fire both at home and from overseas for making the economy less transparent and open to foreign competitors.

Concerning "keiretsu," the association defended the system as being based on a long-term business perspective, but acknowledged that some aspects look "obscure" to foreign companies. For instance, the group pinpointed rebates as an [words indistinct].

Investors Seen Shifting From Stocks to Bonds

OW0403115391 Tokyo KYODO in English 1127 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—Major Japanese investors are shifting funds to long-term holdings of government and corporate bonds from short-term trading in stocks in view of rising interest rates and depressed stock prices, an industry research center said in a report monday.

Nikko Research Center, a research body affiliated with Nikko Securities Co., surveyed a total of 305 institutional investors and 289 corporations last December to discover the trend in their management of funds.

The survey found that 76 percent of the institutional investors polled said they intend to hold various bonds until maturity. The percentage increased from 52 percent in a similar survey conducted two years ago, the report said. The ratio of corporate investors who gave the same answer also increased to 48 percent from 29 percent in the previous survey.

In contrast, the ratio of institutional investors who said they will invest in stocks to make quick profits dropped to 12 percent from 30 percent. The rate of corporate investors giving the same answer also fell to 13 percent from 26 percent.

The report pointed out that the number of corporate investors who said they had hardly invested in bonds declined to 33 percent from 56 percent, and added that investors' funds are now shifting to bonds from stocks.

Of institutional investors, 29 percent said they want to increase investment in securities from now on, while 8 percent said they would reduce such investment. Among corporate investors, the respective figures were 5 percent and 26 percent.

Ministry Recommends Insurance Business Reforms

OW0403122491 Tokyo KYODO in English 1208 GMT 4 Mar 91

[Text] Tokyo, March 4 KYODO—A Finance Ministry advisory panel will recommend lowering the legal barriers separating the life and nonlife insurance businesses in a report due out around June, informed sources said Monday.

The insurance council, which serves the finance minister, will also propose promoting insurance products now offered by both life and nonlife insurance companies such as health and medical-care policies, the sources said. But the sources said they do not expect the panel to recommend scrapping the barriers contained in Article 7 of the Insurance Business Law in view of the unique risks involved in the two businesses.

The report, however, will likely call for a "review" of the legislation to determine if life and nonlife insurance firms should be permitted to operate in the other's turf through subsidiaries, they said.

Nonlife insurance firms may also get a green light to enter the corporate pension fund management business, an area now dominated by life insurance companies and trust banks, according to the sources. The sources, however, said differences remain among panel members on the issue but that they should be resolved by March 20, when the panel is scheduled to discuss a massive overhaul of the nation's insurance system.

The panel's discussions on insurance are part of the Finance Ministry's efforts to revamp the nation's financial system.

Another advisory panel to the finance minister has already recommended lowering the legal barriers between the banking and securities industries.

North Korea

South Fires Cannons in Demilitarized Zone

SK0403231891 Pyongyang Domestic Service in Korean 2222 GMT 4 Mar 91

[Text] The South Korean puppets yesterday committed a grave military provocation by firing cannons inside the Demilitarized Zone on the eastern front.

At around 1430 yesterday, the South Korean puppet army rascals introduced into the Demilitarized Zone southwest of Mount Oun several antitank rockets and installed them in their posts and recklessly fired dozens of cannons at the position around the central Military Demarcation Line.

A lot of schrapnel from the cannons fired by the South Korean puppet army fell around our side's civil police personnel posts on the opposite side of the central Military Demarcation Line. Thus, the security of our side's civil police personnel, who were on routine duty, was gravely threatened.

This incident took place during the period when the U.S. imperialists and the South Korean puppets are conducting the adventurous Team Spirit joint military exercise, introducing into South Korea aggression military forces and operational equipment on a large scale from the U.S. mainland and its Pacific overseas bases, and are frantically conducting war exercises on the ground, in the air, and at sea to invade the North. Therefore, we cannot but regard this cannon shooting as grave.

Such a provocative military act, openly committed in broad daylight by the South Korean puppets, is a wanton infringement of the Armistice Agreement. In addition, this is a premeditated and deliberate move to artificially strain the tension of the Military Demarcation Line around which both sides' armed forces stand tensely confronting each other.

The U.S. imperialists and the South Korean puppets should look straight at the grave situation currently prevailing on the Korean Peninsula owing to their provocative Team Spirit-91 joint military exercise moves, and act with discretion.

KCNA on 'Grave Military Provocation'

SK0503055291 Pyongyang KCNA in English 0445 GMT 5 Mar 91

["Grave Military Provocation in DMZ"—KCNA headline]

[Text] Pyongyang March 5 (KCNA)—The South Korean puppets perpetrated a grave military provocation in the Demilitarized Zone (DMZ) on the eastern section of the front Monday, firing artillery shells.

At around 14:30, South Korean puppet troops introduced several anti-tank rockets into the DMZ southwest of Mt. Oun and installed them at a position and fired scores of shells toward a spot near the central Military Demarcation Line [MDL].

Many splinters of the shells fell around our side's civil police post on the opposite side across the central Military Demarcation Line, seriously threatening the personal safety of our civil policemen on their routine duty.

Such a military provocation is a wanton violation of the Armistice Agreement and a deliberate and premeditated act intended to artificially create a tense situation in the MDL area where armed forces of the two sides are in acute confrontation.

The U.S. imperialists and the South Korean puppets must act with discretion, looking straight at the grave situation created on the Korean Peninsula by their provocative "Team Spirit 91" joint manoeuvres.

Message to South by Red Cross Society Official

SK0503034491 Pyongyang Domestic Service in Korean 0300 GMT 5 Mar 91

[Telephone message sent by Yi Song-ho, acting chairman of the DPRK Red Cross Society Central Committee, to Kim Sang-hyop, president of the South Korean Red Cross; date not given—read by announcer]

[Text] At the request of the chairmen of the Central Committees of the General Federation of Trade Unions of Korea and the Union of Agricultural Working People of Korea, and the Korea Students Committee, I will send two liaison officials to the conference hall of the Neutral Nations Supervisory Commission at Panmunjom at 1000 on Thursday, 7 March 1991, in order to hand over to your side letters addressed to the acting chairman of the National Council of Labor Unions and chairmen of the National Federation of Farmers' Union, the National Council of University Student Representatives, and the National Council of Representatives of Youth Organizations.

I hope your side will take a corresponding step.

I take this opportunity to inform you of our intention to receive the letter of the president of your side's delegation to the Interparliamentary Union to the chairman of our side's parliamentary group.

U.S. Defense Department Report 'Whopping Lie'

SK0503052391 Pyongyang KCNA in English 0439 GMT 5 Mar 91

["Preposterous Fabrication"—KCNA headline]

[Text] Pyongyang March 5 (KCNA)—The U.S. Defense Department in an annual report on the military affairs to the White House and Congress again spun out a fiction about "powerful military capabilities of North Korea" and declared that there is no change in the need to U.S military presence in South Korea, according to a report.

This preposterous sophism is a whopping lie invented by the United States to conceal its aggressive crimes against the Korean people and a powder-reeking jargon openly revealing its intention to provoke another war, says NODONG SINMUN today.

The news analyst points out:

With the end of the Gulf war, the United States is seeking a new armed conflict in another area and regards the Korean Peninsula as the first target.

And it is trying to find in a war a way out of its serious economic crisis that is going from bad to worse and to make the first breakthrough on the Korean Peninsula.

In raising a hue and cry over the "powerful military capabilities of North Korea", the United States intends to divert elsewhere the attention of the world, justify its war provocation moves, make fait accompli the fiction of "threat from the North" and thus keep hold on South Korea for an indefinite period under the pretext of "deterrence" and ignite another Korean war with it as the springboard and realise its anti-DPRK, anti-socialist Asia-Pacific strategy.

There has never existed and never exists "threat from the North" on the Korean Peninsula.

As shown by the "Team Spirit 91" war exercises, there is only threat from the South on the Korean Peninsula and it is daily increasing, giving rise to a greater danger of a new war.

It is entirely just for the supreme commander of the Korean People's Army to have issued an order to the entire units of the three services of the Korean People's Army and the Korean People's Security Forces and all the members of the Worker-Peasant Red Guards and the Young Red Guards to keep themselves in a posture of full combat mobilisation.

This is a legitimate self-defensive measure to counter the new war provocation moves of the United States and the South Korean authorities.

The United States must know clearly that there is a limit to our patient efforts and immediately discontinue the "Team Spirit 91" joint military exercises aimed at another Korean war.

Iranian Parliamentary Delegation Continues Visit

Discusses Cooperation With Kim Il-song

LD0103215691 Tehran IRNA in English 1241 GMT 1 Mar 91

[Text] Pyongyang, March 1, IRNA—Iran's visiting Majlis Speaker Hojjat ol-Eslam Mehdi Karrubi met with President of the Democratic People's Republic of Korea (DPRK) Kim Il-song here Friday. The two sides discussed international developoments and Tehran-Pyongyang political, economic and cultural cooperation.

Hojat ol-Eslam Karrubi who arrived here Wednesday from a four-day visit to Islamabad, said that the Iraqi Government with its miscalculations occupied Kuwait, thus provided the U.S. with a pretext to deploy the allied forces in the region. He said Iran followed an independent and neutral policy in the Persian Gulf crisis while condemning the U.S. measures. "Independent countries and those resisting the U.S. will certainly be subject to pressure," he added.

President Kim said Iran and DPRK are campaigning against imperialism and added that the U.S. by taking advantage of the present situation is trying to control the world according to its will. The U.S. which is after devouring the whole world, was looking for an excuse and the Iraqi Government provided it with one to occupy Kuwait, President Kim said.

"The situation in our country is also complicated. Prime ministers of North and South Koreas had held talks before. However, we had to stop the talks due to military maneuvers in the region," he said.

President Kim thanked the Iranian people for their support for the unification of the two Koreas, and said Iran and DPRK are campaigning against imperialism in a single front.

Meanwhile, Hojjat ol-Eslam Karrubi and his counterpart Yang Hyong-sop discussed expansion of political, economic and cultural relations between the two countries during their first round of talks here Thursday.

Hosts Banquet 28 Feb

SK0203120091 Pyongyang Domestic Service in Korean 2300 GMT 28 Feb 91

[Text] Mehdi Karrubi, speaker of the Consultative Assembly of Iran and head of the Iranian parliamentary delegation, hosted a banquet last evening at the People's Hall of Culture in connection with the delegation's visit to our country.

Present there on invitation were Pak Song-chol, vice president; Kim Tal-hyon, vice premier; Yang Hyong-sop, chairman of the Supreme People's Assembly [SPA]; Paek In-chun, vice chairman of the SPA and chairman of the Korea-Iran Friendship Parliamentary Group; Chong Song-nam, minister of external economic affairs; Han Chang-kun, minister of commerce; Kang Sok-chu, first vice minister of foreign affairs; Yim Kuk-yong, first chairman of the Fisheries Commission; Kim Kwang-chin, vice minister of People's Armed Forces; Yi Song-nok, vice minister of foreign trade; the vice chairman of the Committee for Cultural Relations With Foreign Countries; and other relevant officials.

Also present were Hasan Dabir, Iranian ambassador to the DPRK, and members of the Iranian parliamentary delegation.

His Excellency Speaker Mehdi Karrubi spoke first at the banquet; Speaker Yang Hyong-sop spoke next.

The banquet proceeded in an amicable atmosphere.

Mehdi Karrubi Banquet Speech

SK0203122391 Pyongyang Domestic Service in Korean 2300 GMT 28 Feb 91

[Speech by Mehdi Karrubi, speaker of the Consultative Assembly of Iran and head of a visiting Iranian parliamentary delegation, at reception held at the People's Hall of Culture in Pyongyang on 28 February—read by announcer]

[Text] I am very pleased to meet you during my visit to the friendly DPRK.

Anti-imperialism is the basic stance in Iran's foreign policy. The Islamic Republic of Iran accepts this as its unchanging basic principle in opposing any form of domination or anything that allows domination, in defending the territorial integrity and complete independence of all the countries, in defending the rights of the Moslem people, and in maintaining peaceful relations with countries through mutual respect of nonaligned policies and interests.

On many occasions our government and people have opposed such things as the use of chemical weapons, which violates international laws, the violation of the rules governing human rights, the invasion of other countries, and the open use of power, as has been raised in the current international relations. Because of such realities, peoples who are independent and love freedom and progress, are experiencing difficulties.

The situation in the Gulf has become more tense because of the United States and its allies, who are maneuvering to station themselves in the region with the excuse of the strained situation there. As a result, the innocent Iraqi people are being sacrificed and important resources are being destroyed.

These irresponsible acts run counter to the principles of international law. Such acts that go beyond the framework of the UN Security Council have already been committed in Latin America, Africa, and Asia by the United States and the Western world, the ringleaders of these brutalities. Vietnam, the Korean Peninsula, Iran, Lebanon, and Palestine are cases in point.

The Islamic Republic of Iran was the first nation in the region to denounce the Iraqi invasion of Kuwait and call for recognition of the lawful government in Kuwait. The Islamic Republic of Iran will spare no effort for durable peace and stability in this region and insists that the Iraqi troops withdraw from Kuwait and that the United States, the ringleader of the brutality, and the multinational forces withdraw.

Since the victory of the Islamic revolution in Iran, many high-level delegations of the Islamic Republic of Iran have visited the DPRK. The visit to the DPRK of His Eminence Khamene'i, the leader of the Islamic revolution, was an event of particular significance in further developing in scope the relations between the two countries.

We hope that Korea will be reunified in conformity with the will and desire of the Korean nation and that all the Korean people will lead a stable life for progress and prosperity in peaceful circumstances. The reunification of the Korean Peninsula is the fundamental factor for happiness and independence of the Korean nation.

We are sure that the excellent relations of friendship and cooperation between the Islamic Republic of Iran and the DPRK will further strengthen and develop with each passing day and that the two countries will use all possibilities to develop these friendly relations to a higher level.

I consider that our current visit to your country will be conducive in bringing closer the ties between our two countries, which stand for anti-imperialist independence, and I am very happy about it.

Availing myself of this opportunity, I once again thank you for the warm and friendly hospitality you accorded our delegation.

I am convinced that the good relations between our two parliaments will, no doubt, exert a particularly salutary effect on strengthening the friendly relations between the governments and people of the two countries.

Once again expressing my deep gratitude to his excellency the great leader for the consideration shown to our delegation, I wish the great leader His Excellency President Kim Il-song and the great leader of the Islamic revolution His Eminence 'Ali Khamene'i successes and long life and good health. I wish the dear leader His Excellency Kim Chong-il and the esteemed president of the Islamic Republic of Iran His Excellency Hashemi-Rafsanjani successes and long life and good health.

Yang Hyong-sop Banquet Speech

SK0203123791 Pyongyang Domestic Service in Korean 2300 GMT 28 Feb 91

[Speech by Yang Hyong-sop, speaker of the DPRK Supreme People's Assembly, at a banquet hosted by a visiting Iranian parliamentary delegation headed by Consultative Assembly Speaker Mehdi Karrubi at the People's Hall of Culture in Pyongyang on 28 February—read by announcer]

[Text] I express my deep gratitude to his excellency the speaker for having delivered a speech full of friendly feeling.

We had talks and meetings with our friends from Iran on current issues of mutual concern, including the further expansion and development of the friendly and cooperative relations between the two countries. I think this marked a very useful occasion in making closer the friendly and cooperative relations between our Supreme People's Assembly and the Consultative Assembly of Iran and in consolidating and developing the bonds of friendship and cooperation between the two countries.

The present complex international situation warrants us to strengthen in every way the friendship and solidarity between Korea and Iran, which are both advancing along the road of independence against imperialism. This will contribute to strengthening the unity and solidarity among the developing countries.

You have highly appreciated the successes that our people have accomplished in socialist construction under the wise guidance of the great leader Comrade Kim Il-song and the dear Comrade Kim Chong-il. You have extended your active support and solidarity in their struggle for the independent and peaceful reunification of the country. This is a great encouragement to our people.

Our people will, as in the past, stand on the side of the Iranian people and support their just cause, invariably and firmly.

I wholeheartedly wish our Iranian friends headed by his excellency the esteemed speaker to spend pleasant and joyous days during their stay in our country and to accomplish wonderful successes during their visit.

In concluding, I wish the esteemed leader of the Islamic revolution of Iran, His Excellency 'Ali Khamene'i a long life and good health, firmly convinced that the relations of friendship and cooperation between the DPRK and Iran will further expand and develop in all directions in the spirit (?nurtured) by the leaders of our two countries.

I wish esteemed President His Excellency Akbar Hashemi-Rafsanjani long life and good health. I wish the great leader Comrade Kim Il-song a long life and good health. I wish the dear leader Comrade Kim Chong-il a long life and good health. I wish the esteemed speaker, His Excellency Mehdi Karrubi, good health.

Karrubi Message to Kim Il-song

SK0503043491 Pyongyang Domestic Service in Korean 1200 GMT 3 Mar 91

[Thank-you message from Iranian Consultative Assembly Speaker Mehdi Karrubi to President Kim Il-song on his 3 March departure from Pyongyang—read by announcer]

[Text] Your Excellency, Esteemed President Kim Il-song:

During my stay in your beautiful country, I saw with my own eyes the great successes achieved by the courageous

Korean people under the wise guidance of his excellency the esteemed president, Kim Il- song, and his excellency the dear leader, Kim Chong-il.

And now we are leaving your beautiful country with profound feelings about the considerations the great leader showed to us.

I am convinced that all the talks and meetings conducted between us during our visit and stay in your country have no doubt been very useful in strengthening and developing the friendly relations between our two countries.

Taking this opportunity to express once again my deep gratitude for the special hospitality and warm considerations his esteemed excellency the president directed to us, I wholeheartedly wish his excellency the esteemed president long life and good health, and for the courageous Korean people, success.

[Signed] Mehdi Karrubi, speaker of the Consultative Assembly of Iran

[Dated] 3 March 1991, Pyongyang

Delegation Leaves for Home 3 Mar

SK0303084891 Pyongyang KCNA in English 0829 GMT 3 Mar 91

[Text] Pyongyang March 3 (KCNA)—The Iranian parliamentary delegation headed by Mehdi Karrubi, speaker of the Consultative Assembly, left for home today after its official goodwill visit to the DPRK at the invitation of the Supreme People's Assembly [SPA].

It was seen off at the airport by Vice-President Pak Song-chol, Chairman of the SPA Yang Hyong-sop and other officials concerned and Iranian Ambassador to Korea Hasan Dabir.

While staying in Korea, the delegation visited Mangyongdae and went round the West Sea barrage, the Tower of the Chuche Idea, the Pyongyang Metro and other places.

Kim Yong-nam Meets Ethiopian Foreign Minister

SK0403041891 Pyongyang Domestic Service in Korean 1300 GMT 2 Mar 91

[Text] On 22 February, Kim Yong-nam, vice premier and foreign minister, was invited to the banquet arranged by Tesfaye Dinka, Ethiopian deputy prime minister and foreign minister. Foreign Minister Kim Yong-nam held talks with him.

At the meeting, saying that he fully supports the new proposal for the reunification of the fatherland put forward by the great leader Comrade Kim Il-song in this year's New Year address, the Ethiopian deputy prime minister and foreign minister added that the proposal no doubt gives great hope to the entire Korean people.

On 26 and 27 February, Foreign Minister Kim Yong-nam met with the secretary of the Provisional National Defense Council in Charge of Foreign Affairs and Security of the Republic of Ghana, the Zimbabwean foreign minister, the Zambian foreign minister, the Nigerian foreign minister, and the deputy foreign minister of Guinea, who were attending the 53d meeting of the Ministers' Committee of the African Reunification Body held in Addis Ababa.

Yon Hyong-muk Sends Message to New Thai Leader

SK0503113091 Pyongyang KCNA in English 1019 GMT 5 Mar 91

[Text] Pyongyang March 5 (KCNA)—Premier of the Administration Council Yon Hyong-muk sent a message of greetings Sunday to Anan Panyarachun on his appointment as prime minister of the Provisional Government of the Kingdom of Thailand.

Expressing happiness over the favourable development of the friendly and cooperative relations between the two countries, the message wishes him great success in his responsible work for the stability and democracy of the country.

Choe Yong-nim Meets Vietnamese Planning Group

SK0203052291 Pyongyang KCNA in English 0443 GMT 2 Mar 91

[Text] Pyongyang March 2 (KCNA)—Vice-Premier Choe Yong-nim met and had a friendly conversation at the Mansudae Assembly Hall Friday with the delegation of the State Planning Commission of Vietnam headed by its Vice-Chairman Le Xuan Trinh.

Present on hand were Vice-Chairman of the State Planning Commission Yon Sung-hwa and Vietnamese Ambassador to Korea Nguyen Van Trong.

Expressing firm support to the proposal set forth by President Kim Il-song for national reunification, the head of the delegation hoped for an earlier reunification of Korea.

Nguyen Van Linh Receives DPRK Ambassador

SK0303082091 Pyongyang KCNA in English 0759 GMT 3 Mar 91

[Text] Pyongyang March 3 (KCNA)—Nguyen Van Linh, general secretary of the Central Committee of the Communist Party of Vietnam, supported the proposal for reunifying Korea through confederation on the basis of one nation, one state, two systems and two governments which was put forward by respected President Kim Il-song, assessing it as the wisest and most creative proposal, and declared that Vietnam will consistently support this proposal for national reunification, when he met with the DPRK ambassador to his country on Feb. 28.

Saying that the Communist Party and people of Vietnam warmly congratulate the Korean people upon the great achievements they have made in socialist construction by applying the juche idea under the wise guidance of respected Comrade Kim Il-song and dear Comrade Kim Chong-il, he stated: I think the socialist construction in Korea is an example for Vietmam.

Kim Il-song Receives Outgoing Pakistani Ambassador

SK0203102791 Pyongyang KCNA in English 0958 GMT 2 Mar 91

[Text] Pyongyang March 2 (KCNA)—The great leader President Kim Il-song today received Pakistani Ambassador to Korea Jafar Habib who paid a farewell call on him.

Present on the occasion was Kang Sok-chu, first vice-minister of foreign affairs.

President Kim Il-song had a talk with the ambassador.

Kim Il-song Greets Bulgarian President

SK0203114291 Pyongyang KCNA in English 1029 GMT 2 Mar 91

[Text] Pyongyang March 2 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to President Zhelyu Zhelev on the national holiday of Bulgaria.

In the message, he expressed the belief that the friendly relations between the two peoples would continue to develop and wished the president and people of Bulgaria success in the work for the prosperity of the counry.

Officials Attend Bulgarian National Day Reception

SK0303083191 Pyongyang KCNA in English 0809 GMT 3 Mar 91

[Text] Pyongyang March 3 (KCNA)—Bulgarian Ambassador to Korea Georgi Stoyanov hosted a cocktail party Saturday evening on the National Day of Bulgaria.

Present on invitation were Vice-Premier Kim Tal-hyon, Chairman of the Education Commission Choe Ki-yong, Vice-Minister of Foreign Affairs Yi In-kyu and other officials concerned.

Invited there were foreign diplomatic envoys here.

Speeches were made at the cocktail party.

International Group Denounces Team Spirit

SK0503053591 Pyongyang KCNA in English 0429 GMT 5 Mar 91

[Text] Pyongyang March 5 (KCNA)—The International Liaison Committee for the Reunification and Peace of Korea released an appeal on February 26 denouncing the "Team Spirit 91" joint military exercises of the U.S. imperialists and the South Korean authorities.

Pointing out that the war game is a deliberate provocation to aggravate the distrust and confrontation between the North and the South and break up North-South dialogue, the appeal says:

The "Team Spirit 91" being staged by the United States and the South Korean authorities when North-South high-level talks for removing political and military confrontation are under way is an unpardonable challenge not only to the Korean people but also to the peace-loving peoples of the world.

The U.S. and the South Korean authorities must take full responsibility for bringing the situation on the Korean Peninsula to the brink of war and rupturing North-South dialogue, closing their eyes to a large number of reasonable peace initiatives taken by the Democratic People's Republic of Korea, notably the broad-minded proposal for the suspension of the "Team Spirit" joint military exercises at least while the dialogue goes on.

The South Korean authorities who have stubbornly opposed the proposal of the DPRK for adopting a non-aggression declaration between the North and the South are inciting hostilities clamouring about the "threat from the North". This fully reveals their bellicosity.

In connection with the grave situation of the Korean Peninsula in which confrontation and tensions are being aggravated owing to the joint military exercises of the United States and the South Korean authorities, the International Liaison Committee for the Reunification and Peace of Korea denounces the aggressive "Team Spirit 91" joint military exercises and appeals to the peace-loving peoples of the world to strongly demand of the U.S. and the South Korean authorities an immediate end to such war provocation moves.

International Reunification Group Issues Bulletin

SK0403104891 Pyongyang KCNA in English 1002 GMT 4 Mar 91

[Text] Pyongyang March 4 (KCNA)—The International Liaison Committee for the Reunification and Peace of Korea published a special issue of its bulletin on February 22.

It carries accounts of the extraordinary meeting of the members of the leading body of the committee held in Paris recently.

Printed in it are the report of Guy Dupre, secretary general of the committee, at the meeting and an appeal to the governments, political parties and social organizations of all countries and international bodies.

It also runs articles exposing the "Team Spirit 91" joint military exercises of the United States and the South Korean authorities.

Station Commentator on No Tae-u's 1 Mar Speech

SK0303102591 Pyongyang Domestic Service in Korean 1150 GMT 2 Mar 91

[Commentary by station commentator Kim Kyong-pok: "Traitor's Brazen-Faced Sophistry"]

[Text] Traitor No Tae-u delivered a so-called speech at a ceremony held on 1 March to mark the anniversary of the 1 March movement. In a speech replete with empty, flowery words, he mentioned such words as democracy and reunification, talking as if the dreams of the fallen martyrs had been transformed into reality. There is no question that he delivered such a long but empty speech in an effort to divert public attention from the grave realities of South Korea, to camouflage his ring's treacherous colors, and to ameliorate public grudges.

The desire of those who took part in the 1 March popular uprising was to repel the aggression of outside forces and to restore the independence of the country. Even though a long time, 72 years, has passed since the 1 March popular uprising and nearly half a century has passed since our fatherland was liberated from the bondage of the Japanese imperialist colonial rule, South Korea is still under the military occupation of outside forces and their colonial rule. This is reality.

With about 40,000 troops of aggression and about 1,000 nuclear weapons deployed in South Korea, the U.S. imperialists not only behave like the masters of the country, but they also are leaving no stone unturned in a bid to keep our country divided indefinitely and to bring the whole of Korea under their domination. How can anyone say that the dreams of the fallen martyrs have been translated into reality?

The traitor's words as such are nothing but an insult to the patriotic fallen martyrs who shed blood in their struggle for national independence. These words are a mockery to the fellow countrymen who can hardly control their indignation at the thought of the trampled national sovereignty and the continuing division of the country.

The puppet traitor read a list of his administrative records as if he had achieved something close to accomplishments and advertised prosperity and democracy. However, such things would only arouse bitter laughter among the people.

With its lifeline placed in the hands of outside forces, the subordinate colonial economy in South Korea is in trouble. Each day millions of unemployed and those in absolute poverty die of starvation and diseases, and some even commit suicide, while the rich get richer and the poor get poorer. Who would believe the advertisement that paints the tragic society as prosperous?

No Tae-u's balderdash that he has opened the door to a genuinely democratic era since the beginning of the Sixth Republic or that a democratic community in which everyone participates must be built is nothing but empty, deceptive talk.

It is apparent to everyone that the No Tae-u ring's fascist rule under the Sixth Republic is so brutal and tyrannical in its nature that the tyrannical rule during the Yusin dictatorial era and the Fifth Republic, which are now seen as symbols of harsh rule, pale in comparison. Also, everyone sees that the ring has launched a unprecedented scorched-earth offensive against the patriotic and democratic forces by mobilizing not only such suppressive forces as the police, the Agency for National Security Planning, and the Defense Security Command, but also the puppet army and even the homeland reserve forces.

After holding a meeting of the ministers in charge of police, the fascist clique recently kicked off a frantic whirlwind of suppression, including surprise raids and searches on the campuses and intensified surveillance and suppression of the dissidents, youth, and students.

It is not a democratic era, but a new era of suppression that is being unfurled in South Korea under the Sixth Republic. What cannot go unnoticed in the puppet traitor's monologue is the fact that he has revealed his sinister intent concerning reunification.

After beautifying the splittist northern policy as if it were a source of pride, the puppet traitor noisily called for the wall of the truce line to be brought down with the strength of freedom and prosperity, arguing that now is the chance of a lifetime provided by the world and history. In these remarks, the puppet traitor has revealed for all to see his wild ambitions to take advantage of the vacuum created in the balance of power in international relations to reunify the country by prevailing over communism and by nurturing strength on the coattails of outside forces.

Instead of accepting the proposal for reunification through the founding of a confederal system based on the principle of one nation and one state, two systems and two governments, the great principles of national reunification suitable to the realities in our country, the puppet traitor dreams about reunifying the country by prevailing over communism, a pipe dream that will never come true. This reveals that the ring is dreaming a very foolish dreams and that the members of it do not want national reconciliation, unity, or peaceful reunification.

Traitor No Tae-u is a splittist and a traitor who runs counter to the trends of the times that are moving toward reunification during the nineties. No matter what sophisms he may utter, he can never mislead public opinion or reverse the trends of the times that are moving toward independence, democracy, and reunification.

The South Korean people will never be cheated by the puppet's deceptive propaganda. Instead, they will hand out stern judgment on him after bringing the traitors into the court of history.

NODONG SINMUN on Speech

SK0403061691 Pyongyang KCNA in English
0518 GMT 4 Mar 91

["NODONG SINMUN on No Tae-u's Mishmash"—KCNA headline]

[Text] Pyongyang March 4 (KCNA)—No Tae-u set the stage for "a celebration of the March First Uprising Anniversary" Friday last week and made a "commemorative speech". He reeled off boastfully his "merits" after he took office and, impudently enough, made free with such phrases as "independence" and "national dignity" and even pretended to be concerned about the reunification of the country.

Commenting on this, a news analyst of NODONG SINMUN today says:

The trash that spewed forth from the mouth of No, a hand-raised stooge of the U.S. imperialists and a colonial servant, is a mockery of and insult to the participants in the March First uprising who shed blood in the fight for the independence of the country and national dignity more than seven decades ago.

No is a puppet who clawed his way to the post of colonial stooge by selling the national dignity and sovereignty to foreign aggressors and U.S. imperialists' colonial agent to whom independence is something quite alien. He is not in a position to wag his tongue about national dignity and independence.

The news analyist continues:

There is in South Korea a "government," but it is devoid of independence, and there is an Army, but its commandership is in other's hand. The South Korean "regime" and "sovereignty and independence" do not go well with each other at all.

It is the height of shamelessness and sarcasm for the chieftain of the crimes in having reduced South Korea to a wasteland of democracy and civil rights unfit for human habitation, into a horrible living hell, to spin out a high-flown jargon about his "merits."

Keeping U.S. imperialism, the very one responsible for division, in South Korea, he is staging with them the "Team Spirit 91" nuclear war exercises directed against the follow countrymen in the North, leading North-South dialogue for reunification to the brink of collapse. Yet he has the cheek to shoot off his mouth about "reunification." No matter how heatedly he may tang the harp of it, no one would fail to see through his splittist intention.

No Tae-u, though a witty liar, cannot conceal his ugly color as an inborn flunkeyist traitor, U.S. Imperialists' colonial stooge, a rare fascist tyrant and the foe of reunification, concludes the news analyist.

MINJU CHOSON on Speech

SK0503060591 Pyongyang KCNA in English 0503 GMT 5 Mar 91

["Shameless Tirade of Traitor"—KCNA headline]

[Text] Pyongyang March 5 (KCNA)—MINJU CHOSON today brands No Tae-u's lip service to "independence" and "dignity of the nation" in his speech at a "ceremony to mark the anniversary of the March First Uprising" as a crafty gesture to justify the U.S. policy of colonial subjugation and the military fascist rule, beautify the South Korean "government" and conceal his treacherous and separatist nature.

The news analyst says:

It is the U.S. imperialists who hold the prerogative of military command and control the economy in South Korea and it is also they who shape the domestic and external policies of the South Korean ruling group and supervise and control their execution.

It is obtrusive, indeed, of No Tae-u, a faithful agent of the U.S. imperialists, to talk about "independence" and "dignity of the nation."

No one will be deceived by those who refuse to renounce the "National Security Law," an obstacle to reunification, continue arresting envoys of reunification and are staging the large-scale "Team Spirit 91" joint military exercises with the U.S. imperialists against the North, aggravating the tensions and bringing the North-South dialogues to a crisis of collapse, no matter how loudly they may cry for "unification" and the like.

With nothing can No Tae-u conceal his anti-popular, anti-national nature and his crimes against history and the nation.

Students in South Demand 'Regime' Step Down

SK0503104591 Pyongyang KCNA in English 1011 GMT 5 Mar 91

[Text] Pyongyang March 5 (KCNA)—Some 800 students and workers in Taegu held a meeting for the resignation of the present "regime", the main culprit of the Suso housing scandal, at Keimyung University on March 3, according to a radio report from Seoul.

The participants said that the case of the privileged distribution of the housing lot in Suso District is a product of the structural contradiction of the present "regime" bereft of morality and strongly demanded that it step out without delay, bearing the blame for the case.

They took to the street and staged an anti-"government" demonstration.

On March 3, some 200 Christians of the Hyangyin Church in Seoul demonstrated in protest against the arrest of the Rev. Hong Kun-su. They strongly demanded that the authorities immediately release the pastor who was taken into custody on the charge of violating the "National Security Law".

Opposition Parties in South Condemn Suso Scandal

SK0503104791 Pyongyang KCNA in English 1008 GMT 5 Mar 91

["South Korean Opposition Party Calls for Movement To Oust Present 'Regime'"—KCNA headline]

[Text] Pyongyang March 5 (KCNA)—The South Korean opposition People's Party held a rally with some 1,000 people in attendance to condemn the Suso District housing scandal in Pagoda Park, Seoul, on March 2 and called upon the opposition parties to join in the movement for the resignation of the present "regime," according to a radio report from Seoul.

At the rally a permanent representative of the party said that the Suso scandal was the result that the conservative political force orchestrated the politics for the maintenance of its vested rights. He called upon all the national democratic movement forces to unite and turn out in a movement for urging the ouster of No Tae -u.

Meanwhile, the Party for Peace and Democracy decided to hold a rally condemning the Suso housing scandal before March 10 and launch a powerful offensive.

Yi Chong-ok Attends Meeting on Agrarian Law

SK0403121791 Pyongyang KCNA in English 1032 GMT 4 Mar 91

[Text] Pyongyang March 4 (KCNA)—A national meeting was held here today to mark the 45th anniversary of the promulgation of the historical law on agrarian reform by the great leader President Kim Il-song.

The meeting was attended by Yi Chong-ok and Pak Song-chol, members of the Political Bureau of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and vice-presidents, Yon Hyong-muk, member of the Political Bureau of the C.C., WPK and premier of the Administration Council, and other senior officials.

So Kwan-hui, secretary of the C.C., WPK, delivered a report at the meeting.

Noting that after the liberation of the country the great leader comrade Kim Il-song expounded all the questions of principle in the solution of the land problem with a deep penetration into the requirements of the law governing the socio-economic development of our country, the tasks of our revolution, the class relations in the countryside and the desire of peasants, and energetically led the preparations for the agrarian reform, the reporter said the historical law on agrarian reform was promulgated on March 5, 1946, on the basis of the preconditions created for the agrarian reform.

"Law on Agrarian Reform in North Korea," a work authored and published by the great leader, was a chuche-oriented land programme which made it possible to uproot the feudal land ownership and exploitation relations and most thoroughly resolve the peasant problem, the agricultural problem in the stage of the anti- imperialist, anti-feudal democratic reolution, and it was a most just and revolutionary code of land which made it possible to realize the age-old desire of peasants for land, restrict capitalist elements to the maximum in the countryside and thus create conditions favorable for agricultural cooperativization in future, the reporter stressed.

Pointing out that the historical task of agrarian reform in our country was carried out successfully in less than one month, he said this was a revolutionary change which put a period to the feudal land ownership and exploiter systo in our countryside and made our peasants masters of the land for good and a most shining victory our party and people won in carrying out the democratic revolution.

The agrarian reform in our country, the first of its kind in the East, he said, was an inspiring landmark which gave great hope and confidencen to the south Korean people and peasants and a historical event that encouraged the peoples of many countries who were suffering from the colonial and feudal exploitation to the anti- imperialist, anti-feudal struggle.

Our party which carried out the agrarian revolution successfully our own way in the stage of the anti-imperialist, anti-feudal democratic revolution under the wise guidance of the great leader brilliantly fulfilled the task of socialist trasformation of the rural economy in a unique way as required by the developing revolution after the war, he noted, adding: The movement for agricultural cooperativization was successfully completed without the slightest deviations in a matter of four to five years. Recalling that the great leader published "theses on the socialist rural question in our country," basing himself on a comprehensive summing-up of his rich experience and precious exploits gained in the efforts for the solution of the rural question, the reporter emphasized that the rural theses is a great fighting programme for winning complete victory of socialism by finally solving the peasant problem and the agricultural problem under socialism and accomplishing the historical task of class elimination. He enumerated the facts that the ideological, technical and cultural revolutions in the countryside have been pressed forward along the road indicated by the rural theses under the wise guidance of the party and the leader, state assistance to the countryside has been increased in an allround way and guidance and management of the rural economy been constantly improved, with the result that great strides forward have been made in the efforts for the final solution of the rural question. Stressing the need to exert all efforts to accomplish the tasks set out in the socialist rural theses and win complete victory of socialism in the near future, the reporter called upon all the functionaries and working people in the domain of agriculture to press on with the three revolutions, ideological, technical and cultural, carry through the party's agriculture-first policy and thereby effect constant upswing in the socialist rural construction and in all sectors of agricultural production.

NODONG SINMUN on 'Greatness' of Party

SK0203131891 Pyongyang Domestic Service in Korean 0012 GMT 17 Feb 91

[NODONG SINMUN 17 February special article: "Deeply Mastering the Greatness of the Party Is an Important Demand for Becoming Genuine Communist Revolutionaries"]

[Text] Today we are living and fulfilling the revolution in the glorious era of the Workers' Party of Korea. The most superior socialist system of our own style is being endlessly consolidated and developed. Only an endlessly bright future lies on the road before our fatherland.

As the revolution is being raised onto a higher level and as its future is becoming all the more bright, we must further firmly prepare ourselves to be infinitely loyal and genuine communist revolutionaries of the party and the revolution. In order to achieve this, it is important to deeply master with faith the greatness of our party.

The dear leader Comrade Kim Chong-il has taught: In order to bear in mind with revolutionary integrity the loyalty for the party and the leader, which is done by firmly establishing a revolutionary view of the leader, one must deeply understand the leader and the greatness of its party.

An important demand in firmly preparing to become genuine communist revolutionaries is to deeply master the greatness of the party. This is because the demand is directly related with the work of firmly establishing a revolutionary view of the leader and bearing in mind the loyalty for the party and the leader with revolutionary faith and integrity.

A fundamental core of the revolutionary view of the leader is constituted from the ideological and mental nature, which the genuine chuche-type communist revolutionaries possess. This kind of revolutionary view of a leader is not established by itself but is firmly established only when the greatness of one's leader and party is mastered through faith. Just as only a person who knows one's fatherland well can be a genuine patriot, so only one who deeply masters the greatness of one's leader and party can highly uphold them with invariable loyalty under any difficult circumstances.

Endless trust and a sense of admiration for the party and the leader and devotion that goes through fire and water in advocating and defending the party and the leader and in realizing the party's cause stems from deeply mastering historically and wholly the greatness of one's leader and party, and this is also highly displayed.

Ultimately, we can say that whether the people fulfilling the revolution can establish a revolutionary view of the leader by deeply bearing in mind the revolutionary faith and integrity in their loyalty for the party and the leader is related with how firmly established their position and viewpoint are on the fact that their leader and party are the greatest.

Deeply mastering the party's greatness today is even more important in that it is related to the practical knowledge that our party's self-esteem and dignity are being enhanced beyond all comparison. Amid a long period of formidable struggle, our party possesses the high authority and dignity of a refined, disciplined, and ever-victorious party.

Our party is deeply rooted among the broad popular masses and is united amid the iron-willed ranks. Our party is also a great party with abundant experience and a skilled and refined leadership, thus enabling it to compile immortal achievements in the socialist cause and in the independent cause of the popular masses.

Therefore, the world's progressive people and many revolutionaries are praising our party as one loyal to the revolutionary cause of the working class. They are not able to refrain from showing envy over the way our people fulfill the revolution under a new type of party which is chuche-oriented.

When we wholly master the extraordinary greatness of our party, which leads our era's revolutionary cause along the road of sure victory with high authority and dignity and invincible might, we are able to further bear in mind the pride and dignity that our nation is the greatest and can fulfill with integrity and as a soldier the party's duty under any hardships.

We are deeply mastering the greatness of our party today because it is the most important part of doing the worthwhile work of learning the working class' lofty trait of being endlessly loyal to the leader. It is the foremost life of a revolutionary to be endlessly loyal to the leader.

We cannot contemplate the honor and worth as revolutionaries and the struggle and activity as revolutionaries without loyalty to the leader [suryong], who is the brain of the popular masses, the center of unity and cohesion, and the supreme leader [yongdoja] of the revolution. This is why genuine communist revolutionaries deem it their revolutionary duty to hold the leader of the revolution [hyongmyongui suryong] in high esteem and to be loyal to him under all circumstances.

The history of our party is one of being infinitely loyal to the respected and beloved leader, and in this course our party has created the brilliant model of being loyal to his cause. Carrying out struggle and activity according to what the respected and beloved leader Comrade Kim Il-song wants and intends, while regarding it as the supreme mission to brilliantly consummate the revolutionary cause of chuche pioneered by him, is precisely the principle that our party has consistently followed. With such a firm stand and attitude, our party has planned and organized on the highest plane all work of the revolution and construction and has thus accomplished any task that the great leader wants and presents under any difficult circumstances.

Today, the revolutionary ideology and achievments of the great leader Comrade Kim Il-song have been resolutely safeguarded and defended. The revolutionary tradition established by the leader amid the flames of the anti-Japanese revolutionary struggle has been firmly deepened as a cornerstone for the ages in the consummation of our revolutionary cause. Numerous monumental edifices, including the Soehae lockgate, the Grand Study Hall of the People, the Pyongyang maternity hospital, and the Changgwanwon, have been built throughout the country. Thus, the leader's grand, far-sighted construction plan has been turned into a brilliant reality. This is the noble fruition of the leadership of our party, which has been infinitely loyal to the leader's cause.

Entering the nineties, our party—which has always devoted its work and activity only to giving joy and satisfaction to the respected and beloved leader Comrade Kim Il-song—has not only waged the struggle to develop light industry and agriculture and to build tens of thousands of modern housing units in a short period of time, but has also planned and organized numerous works in a bold and broad manner and pushed ahead with them in a revolutionary way. The lofty and noble leadership features and greatness of our party—which, defining the loyalty to the leader's cause as an immutable principle, has concentrated all of its efforts on this—vividly show the stand and attitude that our party members and the working people should have for the leader of the revolution, holding him in high esteem. This tells us that when we constantly deepen the struggle to deeply master the greatness of our party and to follow its noble leadership features we can firmly prepare ourselves to become genuine communist revolutionaries who are infinitely loyal and dutiful to the leader of the revolution.

For our party members and the working people to deeply master the greatness of our party is the lofty work for continuing advancing and innovating. They should be full of faith and optimism and firmly believe the correctness and invinciblity of the revolutionary cause of chuche. The invincibility of the revolutionary cause depends precisely on the invincibility of the party of the working class, which leads the cause. The source of the people's faith in certain victory and optimism lies in the greatness of the party. The revolutionary cause of the people, who resolutely struggle with overflowing faith, firmly believing that their party is the best and that their party's policy is most correct, cannot be blocked by any force.

Through its protracted arduous but glorious struggle our party has become tested and has been tempered. It has been strengthened and developed into an ever-victorious party full of veterans and militant mettle. Our party has presented chuche-oriented lines and policies according to our people's aspiration and our country's situation in every period and in every stage of the revolution and construction. It has thoroughly implemented the chuche-oriented lines and policies by organizing and mobilizing all the people. Thus, our party has led our socialist construction to the single road of victory and has created miracles and changes which amaze the people of the world.

At a time when the imperialists are noisily clamoring about a crisis in socialism, in our country today socialism is still victoriously advancing. This is entirely tbanks to our party's revolutionary leadership. As long as the tested leadership of our party, which has consistently advanced our revolution without the slightest degre of faltering, under the banner of the great chuche idea, exists, there will no barrier which cannot be surmounted, no fortress which cannot be occupied, and the socialist cause of chuche will be fully consummated under any difficult circumstances.

The greatness and invincibility of our party are precisely the invincibility of our revolutionary cause. When we cherish the greatness of our party deep in our hearts, accepting our party's policy as absolute truth, our firm faith in certain victory can become firmer. For all party members and the working people to deeply master the greatness of our party also becomes the lofty work, not only to know clearly how great and valuable are the benefits that bless them and the happiness that they enjoy, but also to be infinitely loyal to the party and the leader bestowing these benefits and happiness upon them.

The greatness of our party fully finds expression not only in its ideology, theory, and activity and in its art of leading the revolution and construction to victory, but also in its lofty people-oriented features of taking care of the people's destiny and living in a responsible manner.

Today, our people exercise with dignity their independent rights as the genuine masters of the state and society. Everyone of them belongs to certain social and political organizations and maintains kindred ties with social and political organisms with the party as the center. Our people lead an equal life, enjoying health and longevity, without the slightest degree of worry and inconvenience in their living, including food, clothing, housing, medical facilities, and education for their children.

This rewarding socialist living that our people enjoy today is not one that was created automatically. It is a noble result of our party's warm considerations and its people-oriented policy. Our party—which has regarded it as the supreme principle of its activity to thoroughly safeguard and protect the interests of the popular masses and to devotedly serve them—has always paid great attention to looking after the people's lives and living. Our party's activity of fostering all members of the society to become genuine revolutionaries and of concentrating great energy on providing an affluent and civilized life with our people is indeed countless.

The greatness of our party is precisely its infinite devotion to our people and its motherly features. This greatness of our party has been vividly embodied in its people-oriented policies and its warm considerations toward the people. Only when we should deeply master this greatness of our party and its noble, people-oriented features and policies can we not only directly feel in our hearts how happy our life is today and how it has been provided and how precious and valuable it is, but also more resolutely have faith in the party.

Those who have deeply mastered the greatness of our party and its noble, people-oriented features do not forget its benovelence even for a moment and invariably uphold the party and the leader under any difficult circumstances with the firm stand and viewpoint that they can neither live nor carry out the revolution seperated from the party's bosom.

All of our functionaries, party members, and the working people today have grown up to become dignified revolutionaries in the party's bosom. In the course of traversing the revolutionary road of multilayered barriers and trials they have keenly realized that there is no great party in this world like our party.

However, no one can say that one has perfectly known of our party's outstanding greatness and the extraordinarily affluent feats that it has registered for the times, the revolution, the fatherland, and the people through its energetic ideological and theoretical activities and revolutionary practice. The greatness of our party has the greatness of its ideology and theory, the greatness of its leadership, and the greatness of its people- oriented features. Thus, the greatness of our party is beyond our imagination in all aspects.

We should continue to deepen the work to realize the greatness of our party, to know of the history of the party, and to deeply realize the feats that the party has registered. Through this course, we should firmly prepare ourselves to become genuine communist revolutionaries who are infinitely loyal to the party and the leader.

South Korea

No Tae-u 5 Mar Speech on Local Elections

SK0503032491 Seoul Domestic Service in Korean 0100 GMT 5 Mar 91

[Speech by President No Tae-u at Chongwadae, Seoul—live]

[Text] The realization of local autonomy has been our task to achieve for the institutionalization of democracy, our long- cherished desire for the democratic development of our country. The autonomy and self-control of residents are not only the foundation of democracy but it becomes the prime mover for the development of democratic politics through the realization of the extensive participation of the people.

Four years ago, through the 29 June democratization declaration, I promised the people the implementation of local autonomy. Local autonomy has been the only step for democratization the implementation of which has been postponed among the eight steps set forth in the 29 June declaration.

The implementation of local autonomy has been postponed by the political and social conditions over the last three years and the delay in the legislation of laws related to local council elections. I believe that further postponement of the formation of local councils is not desirable and have decided to hold the elections of the small-unit local council elections of cities, counties, and wards toward the end of March. The elections of the large-unit local council elections of major cities and provinces will be held during the first half of this year according to law. The government will issue a public notice this week, through necessary procedures including the deliberation by the cabinet, to the effect that the local council elections of cities, counties, and wards will be held on 26 this March.

Our country has a long tradition of centralized government. The implementation of local autonomy will not only bring about developments suitable for the characteristics of each region by dispersing power to local areas, but it will be an epochal opportunity to diversify culture which has been uniform to date. The local council elections which are to be held for the first time in 30 years will be a turning point to structurally reform our political climate, as well as to open an era of localization.

I am well aware of the heated discussions so far among various social circles, let alone the ruling and opposition political circles, over whether the small-unit local council elections of cities, counties, and wards and the large-unit local elections of major cities and provinces should be held separately or simultaneously. The government has also made an in-depth review of this matter. The important reason, among other reasons, claimed by those who advocated simultaneous elections was that holding two separate elections would cost more money. How much money the elections will cost depends on whether the elections will be clean and fair or not; it far from depends on whether the elections will be held simultaneously or separately.

Assuming that the candidates spend money during the elections, the amount they spend will be the same, regardless of whether the elections are held simultaneously or separately.

Moreover, it is true that if these elections are held simultaneously, the election management will be even more difficult, and the possibility of illegal acts being committed will rise accordingly.

The election laws stipulate that the political parties, while being prohibited from nominating candidates to run in the council elections of cities, counties, and wards, can nominate their own candidates to run in the elections of the municipal and provincial assemblies.

In case these two sets of elections are held simultaneously, election campaigns by the political parties and individual candidates for the election of a large number of local council members, 5,170 to be exact, would combine to make it practically impossible to keep the elections from becoming illegal and confusing.

If for no other reason than to make the first election marking the beginning of the local autonomous system into a model of no-money elections and thereby making it the starting point in the reform of the political climate, the local council elections of the cities, counties, and wards should precede the other.

The Central Election Management Committee and the government offices concerned have made their position clear that they cannot cope with the legally permitted election campaigns and the management of the balloting and vote mountings in case the two sets of elections are held simultaneously.

After giving a careful consideration to these questions, I have arrived at the conviction that putting the local autonomous government into practice cannot be delayed any longer and have made this decision.

The opposition parties and some of the off-stage forces vow that they will stage powerful struggles to oppose the holding of the local council elections of cities, counties, and wards ahead of the other set of elections.

It is the inherent right of the government to decide when to hold the elections. Moreover, it is not appropriate for the opposition parties to oppose the holding of elections at an earlier date after long insisting on putting the local autonomous system into practice at the earliest possible date. Also, in view of the legislative spirit of the law that prohibits the political parties from participating in the local council elections of the cities, counties, and wards, the political parties have no reason to turn the date of elections into a point of contest between the political parties.

The opposition parties allege that the government and the ruling party are attempting to make the local council elections serve their political purpose in conjunction with the Suso housing project scandal. This, too, is not an appropriate allegation.

Holding the elections at a time when public outrage over the unfortunate incident has not yet disappeared cannot be favorable for the government and the ruling party, nor can it be something unfavorable for the opposition parties.

If for no reason other than to prevent such wrongdoings as the Suso housing project scandal from repeating itself from the very beginning and systematically, I think that local councils should be formed at the earliest possible date.

While settling urgent issues at home and abroad, we should sincerely press ahead with a political schedule to develop democracy.

Given the accumulated political schedules which should be settled by next year, we should not bring about a greater failure by delaying the work that should be done at once.

The local council elections, which will elect 4,304 local assemblymen on a national scale, will be an important milestone in our constitutional history. In addition, this election will be a touchstone in developing our democracy.

The local autonomous system means that residents themselves participate in and settle the issues of realizing the development of their district and their wellbeing with the taxes they pay. If the local autonomous system becomes a miniature of the central political stage where the ruling and opposition parties carry out political struggles, all the residents will fall victim to such a struggle.

Those seeking election in the local councils from fraudulent acts by using money cannot sincerely represent the welfare of the residents. Local councils should be a residents' representative organ that forbids the interests, injustice, and irregularities of a specific person. They should not be organs that encourage corruption.

Thirty years ago, we failed in carrying out the local autonomous system, because it became a stage of division and discord of the residents, not a stage of their unity. I wish our high-level people to secure a firm ground to develop the local autonomous system by learning from the experience.

I appeal to the electorates to not only refuse money and gifts but also to be watchers for illegal election activities, thereby realizing the reform of the political climate. In addition, I appeal to them to stand in the van of a clean election.

With the sharp concern that the future of our democratic development and our economy depends on whether the local council elections will be conducted orderly and fairly without resorting to money, the government will sternly deal with any person who commits violence or illegal acts according to law.

I expect this election to be a starting point leading to various democratic societies and to a genuine separation of power.

Thank you.

Date for Local Elections Public Notice Set

SK0503030091 Seoul YONHAP in English 0233 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—The cabinet, meeting after President No Tae-u announced to the nation that small-unit local elections would be held on March 26, decided Tuesday that the date will be posted for public notice on March 8.

The Central Election Management Committee has set an 18-day election schedule, including candidate registration March 8-13.

By March 11, the Committee will announce that each candidate can spend no more than 15 million won (20,690 U.S. dollars).

Voting will take place in 3,562 electoral districts in cities, counties and wards, electing 4,304 council members.

Each county, subdivision of a county and village will elect a council member and districts with more than 20,000 people will have two members.

Unlike elections in large districts, the nine provinces and six big cities, political parties are not allowed to field candidates.

Campaigning can begin right after registration and continue until March 25, but is limited to posters, leaflets, placards and appearances at government-organized joint rallies.

PPD Opposes DLP Schedule for Local Elections

SK0503011991 Seoul THE KOREA TIMES in English 5 Mar 91 p 1

[By staff reporter Kim Chang-yong]

[Text] The Party for Peace and Democracy [PPD] yesterday adopted a double-edged strategy aimed at intensifying public anger against government and political corruption and disrupting the ruling camp's intention to hold elections for small-unit local councils prior to those in provinces and special cities.

PPD joining forces with the minor opposition Democratic Party [DP], called for the convening of an extraordinary National Assembly session to initiate a parliamentary investigation of the Suso housing scandal. A protest rally will be held in Seoul's Poramae Park Saturday.

The PPD disagrees with the timing of these elections and has reserved an immediate announcement on whether to join in the local council elections in such small districts as provincial cities, kun (county) and ku (ward). In special cities, which the ruling Democratic Liberal Party [DLP] is determined to hold in late March.

The main opposition party has long demanded that elections for small-and large-unit local councils be held simultaneously and not hold the small-unit elections first as desired by the majority DLP.

The PPD suspects that the DLP may not hold local council elections in special cities and provinces in June since those elections are risky for the ruling party.

The PPD plans to hold a sit-down at the Assembly with the DP for one or two days in a bid to gain public sympathy for their protest activities across the country, beginning in Seoul.

The DLP is sure to be present at the parliamentary sitting even if it is called into session by the opposition amp because their absence would give the opposition forces an excuse for their outdoor struggle. Under the Constitution and other laws, the Assembly can be convened with a consent of one-fourth of the 299 lawmakers. The PPD has 70 Assemblymen and the DP has eight.

The opposition declined the DLP's proposal for a meeting between leaders and want to stick to talks between only floor leaders, blaming the government party for its breach of a promise to hold simultaneous elections.

Yet the PPD seems to be wavering in the choice between complete refusal of the local council elections in a hardline stand against the No Tae-u administration and a tacit agreement with the ruling camp on condition that the government guarantees large-district council elections in June without fail, political observers note.

It is not likely the PPD will join hands with the DP and dissident groups, which are denying the small-unit elections, because the PPD has boasted of having realized the first local council elections in 30 years through its struggle.

The PPD with strong regional appeal in Kwangju and Cholla provinces, has no substantial leverage to prevent PPD-inclined candidates from running for local councilmen in the small-unit elections in which party candidacy is actually banned under laws.

Meanwhile PPD spokesman Pak Sang-chon told reporters, "Our party will initiate and take full responsibility for the Saturday rally and the DP and dissident groups will just act as supporters."

He added that the rally is not aimed at affecting the outcome of the elections themselves, but at protesting against the DLP's plot to "gloss over the Suso issue" by holding local council elections.

Group Formed To Contest Coming Local Elections

SK0503092491 Seoul YONHAP in English 0857 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—A new political group has been formed to contest the upcoming local elections in South Korea.

The 325 members of the Conference of Citizen Coalition for Participation and Autonomy held a founding ceremony Monday and elected five co-leaders. One of the leaders is YMCA director Kang Min-kyu.

They also chose 11 advisers, one of whom is former Deputy Prime Minister Yi Han-bin. Registered members include lawyers, feminists, poet Kim Chi-ha, professor Song Pok and Han Wan-sang.

Indictments for Bribery in Suso Housing Scandal

SK0503074291 Seoul YONHAP in English 0616 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—Five lawmakers were indicted by the prosecution Tuesday along with a former presidential secretary, a tycoon and a Construction Ministry official on bribery charges related to the Suso housing scandal.

Prosecution sources said the first hearing may be late this month, and the eight are likely to be stand trial together to speed up the proceedings.

Chong Tae-su, 68-year-old chairman of the Hanbo Group, may be released on bail because he has high blood pressure and other ailments, the sources said.

Chong is accused in the indictment of handing out over 990 million won (1.38 million U.S. dollars) in bribes to his co-indictees to buy their influence in the multimillion dollar Suso housing deal.

Chang Pyong-cho, presidential secretary for culture and sports at the time of the offenses, and assemblymen Yi Won-pae and Yi Tae-sop are suspected of receiving more than 200 million won in bribes each and face minimum 10-year sentences. They will not be eligible for suspended sentences, according to the sources.

A heated confrontation is expected between the defense and the prosecution about 200 million won Chong gave to the opposition Party for Peace and Democracy (PPD) through its arrested lawmaker, Rep. Yi Won-pae.

PPD Rep. Kwon No-kap, who relayed the money to the party from Yi, has told the prosecution that he took the sum as a donation, but the prosecution Monday decided that the 200 million won will be counted as a bribe.

Critics charge that this is an attempt to avoid implicating the ruling Democratic Liberal Party, headed by President No Tae-u, in the Suso scandal. If the money had been accepted as a donation, it would have led to a vehement call by the opposition for an investigation of the government party as well, they say.

The defense will probably focus on the involvement of high-level government and Chongwadae [presidential offices] officials in the scandal and call former presidential secretaries Yi Sang-pae and Yi Un-taek as witnesses, prosecution sources said.

The Suso case is the biggest scandal to rock No's government since his inauguration in 1988. Hanbo allegedly bought permission to build apartments for housing cooperatives in a greenbelt by lobbying and bribing government, political party and municipal officials.

Nine people have been arrested so far. Ko Chin-sok, a housing cooperative representative, was indicted last week on charges of taking money from Chong.

Opposition Asks Special Session on Suso Scandal

SK0503015091 Seoul THE KOREA TIMES in English 5 Mar 91 p 2

[Text] Opposition parties yesterday sent an official request to Speaker Pak Chun-kyu for the convocation of a 30-day special session beginning Thrusday for a thorough investigation of the so-called Suso housing project scandal.

In a meeting of floor leaders of the opposition Party for Peace and Democracy and Democratic Party, the two parties concurred on the need for an invocation of the parliamentary right of investigation for the Suso scandal.

A total of nine including five lawmakers along with a Chongwadae staffer were arrested for their involvement in the scandal.

The two opposition parties also demanded the administration reinvestigate the scandal by appointing a "special attorney" from among lawyers who can be trusted by the ruling and opposition camps if it is determined to leave no sanctuary for those involved as pledged by Presidet No Tae-u.

They criticized the ruling Democratic Liberal Party for attempting to paper over the scandal by the holding the local council elections in cities late this month in a reversal of an earlier broad agreement with the opposition camp that they be held simultaneously with elections in special cities and provinces.

The two floor leaders of the opposition camp said they would leave no stone unturned in their efforts to foil the ruling camp's plan to push the local council elections only in small administrative units late this month.

In case the ruling party refuses to attend the special house sitting called by the opposition camp, they decided to stage a sit-in protest in the main chamber of the National Assembly to dramatize their struggle.

DLP To Revise Public Servants' Ethics Law

SK0503041891 Seoul YONHAP in English 0543 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—The secretary-general of the ruling Democratic Liberal Party (DLP) told reporters Monday that the party would revise the law on ethics so that ministers, vice ministers and lawmakers have to make public their assets.

"The DLP will try to partly trim the current public servants' ethic law, which presently keeps properties of high-ranking officeholders secret except in a criminal investigation, in such a manner that properties are made open to the public in the extraordinary session of the National Assembly in April," Kim Yun- hwan said.

In addition, the DLP will discuss with the opposition forming a National Assembly ethics committee and setting more specified ethical standards for lawmakers, he said.

The DLP is trying to restore discipline among high-ranking officeholders because of a series of the recent bribery scandals involving members of the National Assembly Trade and Industry Committee and lawmakers.

The ethics law requires senior officers in central and local governments, above third-degree officials in general and special government service, judges, prosecutors, generals, mayors, heads of county, ward offices, police stations to register their own property as well as that of their spouse and lineal descendants and ancestors.

It has little effect, however, because the registration cannot be revealed in any but a few exceptional cases such as a criminal investigation.

Legislation of a new public ethics law, mainly to make the top echelons more publicly accountable, will greatly contribute to cleanup of officialdom as it will force senior civil servants from the president down to register their properties and it will allow the authorities to follow the flow of wealth during their tenure, Kim said.

Protests Spread Against Suso 'Alleged Cover-Up'

SK0303015091 Seoul THE KOREA HERALD in English 3 Mar 91 pp 3, 5

[Text] Popular protest calling for reinvestigation of the alleged cover-up of the Suso land scandal is spreading fast.

The protest, first led by some dissident organizations and political parties, seems to be gaining wider popular support.

Yesterday, a group of 41 dissident leaders, including Kye Hun-che, began a sit-in strike to protest the government's "cover-up attempt" and to demand retreat of President No Tae-u and his ruling party.

Before beginning the strike at the office of Unification Research Institute at Myongnyun-tong, northern Seoul at 10 a.m., they held a joint press conference denouncing No.

They called the Suso land scandal "a real-estate speculation drama committed by No and his ruling party figures in conspiracy with a 'chaebol' (big conglomerate) and certain power groups."

The strikers, including some of the country's most prominent dissident leaders, vowed to continue their protest until either the government gives a clear-cut explanation for the scandal or the current regime steps down.

Later in the day, a dissident political party, the People's (Minjung) Party of Korea held a popular rally at Pagoda Park, downtown Seoul, to protest what it called the government's plot to "manipulate" the Suso land scandal.

At the rally, organizers demanded the immediate step-down of No's government and the dissolution of the current National Assembly.

Two party leaders, Yi U-chae and Chang Ki-pyo, said in their separate speeches that the people should no longer trust the current government to bring to light the whole truth of the scandal.

They said that it was time for the people to come out and catch the masterminds of the scandal as they did with the people's torture-killing of college student Pak Chong-chol.

But the planned street march by the hundreds of party members and citizens after the rally was aborted by a police blockade.

In Kwangju, hundreds of citizens staged a brief street protest yesterday afternoon after they were blocked by the police from attending a rally organized by a dissident organization to denounce the government and its ruling party for their alleged involvement in the scandal.

Meanwhile, Kungminyonhap, one of Korea's largest dissident organizations, planned rallies to protest the government's "cover-up" of the scandal March 16 in the country's major cities.

The organization leaders said yesterday that they will join hands with other dissident bodies and labor organizations for the "success" of the rally to "oust the corrupt regime."

The minor opposition party, the Democratic (Minju) Party, yesterday accounted that it will participate in the rally planned by Kungminyonhap March 16.

The popular protest is also spreading to the college campuses, the traditional leaders of antigovernment struggles.

Chondaehyop, the nationwide organization of student activists, yesterday said that it plans to organize rallies to protest the government's "manipulation" of the Suso scandal at college campuses across the country beginning this week.

Meanwhile, Chonnohyop, a nationwide organization of labor activists, yesterday announced that its representatives in the Seoul metropolitan areas would begin round-the-clock sit-ins this weekend to protest the government's "plot to cover up" the Suso land scandal.

At the same time, voices are being raised among local news media circles that the involvement of editorial staff of some of local printing the broadcast media in the scandal should be determined.

The allegation is that at least 40 senior editorial and reporting staff of news media organizations received huge amounts of "hush money" from Hanbo, the main figure in the scandal, with the request for favorable reporting of the government's permit to proceed with its Suso apartment project. The federation of mass media unions said in its paper yesterday that Hanbo distributed huge amounts of money to some senior editorial and reporting staff and demanded that the truth should be brought to light.

Official Comments on Rehabilitation of Kuwait

SK0503061491 Seoul KBS-1 Television Network in Korean 1200 GMT 4 Mar 91

[Interview with Yi Ki-chu, Foreign Ministry fact-finding team leader in Riyadh, by anchorman Pak Song-pom; date not given—live or recorded]

[Text] [Pak] Good evening, Mr Yi. First of all, how do the people there appreciate the participation of our country's Army medical team and transportation team in Gulf war?

[Yi] Our fact-finding team has met the government leaders and journalists in countries like the United Arab Emirates, Egypt, and even Saudi Arabia, countries we have traveled to. They had a very high opinion of the ROK's participation in the multinational forces' effort for international peace, and they have expressed their gratitude to us for that effort.

In particular, people in all positions in these countries were grateful to the ROK for its past participation in many construction projects in the Middle East and for having imported a large quantity of crude oil from this region. They very much appreciate the fact that we came to their aid again out of consideration for these past relationships and expect us to take part in the postwar rehabilitation as well.

[Pak] What is the possibility of our country participating in the postwar rehabilitation, and what will be the scope of it?

[Yi] Since our arrival in Saudi Arabia, we have met with the Kuwaiti foreign minister, the minister of housing affairs, who paid a courteous visit to our president during his visit to Korea as a special envoy from Kuwait, and the minister of city and local administration, who is in charge of the postwar rehabilitation projects of Kuwait. We have exchanged views with them on the postwar rehabilitation.

These ministers said that Korea helped Kuwait a lot when it was in difficult times and now that Kuwait is liberated, they will not forget Korea's contribution. They also said that they would actively take into consideration Korea's participation in the postwar rehabilitation, too.

So, the details will be worked out between the governments and the business firms of the two countries. In our eyes, there seem to be considerable prospects and possibilities.

[Pak] Thank you, Mr Yi Ki-chu.

Korean Air To Resume Flights to Middle East 12 Mar

SK0403092391 Seoul YONHAP in English 0900 GMT 4 Mar 91

[Text] Seoul, March 4 (OANA-YONHAP)—The Korean Air [KAL] will resume normal service to the Middle East March 12, the airline said Monday.

KAL has flights every Tuesday afternoon from Seoul to Tripoli, with stopovers in Bahrain and Jeddah. They were suspended Jan. 15, two days before the outbreak of the Gulf war.

Poll: U.S. War Victory To Help Korean Security

SK0203023491 Seoul YONHAP in English 0221 GMT 2 Mar 91

[Text] Seoul, March 2 (YONHAP)—The U.S.-led coalition victory over Iraq will help the security situation on the Korean Peninsula, and South Korea should keep up its energy conservation drive even though the conflict is over, according to the results of a poll released Saturday.

An overwhelming 88.4 percent lauded the government for sending military medical and air transport teams to support the coalition forces and 36.5 percent said they had relearned the importance of the U.S. role in keeping peace on the peninsula.

The Korea Research Center, in a poll for the Information Ministry, telephone interviewed 523 adults across the nation except Cheju Island, Feb. 28-March 1.

The allied victory and the consequent influence of the allies on the future order of the region will help security conditions on the Korean Peninsula, 66.4 percent of the respondents said.

The allied victory reminded 36.5 percent of the U.S. role on the peninsula, and 30.6 percent rated that role as "somewhat important" while 18.5 percent said they felt no difference.

On Korea's wartime energy-saving campaign, 84 percent were all for continuing the one-day-in-10 no driving plan. The campaign, which bars private vehicles on days when the last digit of the license plate matches that of the date, was begun on Jan. 19, two days after shooting war began in the Gulf.

Another 60.6 percent were for the reduced television air time, also begun on the second day into the war.

Respondents were unsure about reduced street lighting where every other light was turned off—49.7 percent were for it and 45.1 percent against. No doubt about prohibiting giant neon or electronic ads, however, 81.6 percent wanted to keep them off.

And 79 percent said they participated in the conservation drive voluntarily.

Egypt, Saudi Arabia Order 6,800 Vehicles

SK0503061091 Seoul YONHAP in English 0523 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—Asia Motors Co. has received orders for 6,800 vehicles from Saudi Arabia and Egypt since the cease-fire in the Gulf war. Negotiations are under way on prices and delivery terms for 1,100 of the 2,800 vehicles in the Saudi order and 4,000 cars for Egypt, an Asia spokesman said Tuesday.

Part of the Saudi order is for 1,700 jeep-type vehicles and trucks, and Asia will ship 478 of them by April at a price of 38 million U.S. dollars. The automaker sold the Saudis 332 vehicles for 20 million dollars between August and the end of 1990.

Negotiations are also under with Yemen, Nigeria, Libya and Iran, he said.

Papers Comment on Gulf War, Reconstruction

Contribution Termed 'Petty Cash'

SK0303105491 Seoul TONG-A ILBO in Korean 3 Mar 91 p 4

[Article by foreign news reporter Pang Hyong-nam from the "Reporter's Memobook" column: "The ROK's Contribution to the War in the Gulf Turned Out To Be Petty Cash"]

[Text] In a meeting of the U.S. House of Representatives on 25 February, two lawmakers mentioned Korea while discussing contributions that allies pledged for the Gulf war. I am going to quote part of their remarks as they are revealing about U.S. lawmakers' perception of us.

Patricia Schroeder (female, Colorado), an influential Democrat lawmaker said: "No allies owe so much to the United States as Germany, Japan, and South Korea for their prosperity and welfare. However, given the degree of their contribution to the war in the Gulf, these three countries have made only as minimal a contribution as they could. They are about to make a contribution with the small amount of money left after spending necessary amounts for medicare and educational opportunities for the people and after spending all the necessary part of the budget for the execution of policies. We should let these three countries know that our patience is at the breaking point. By so doing, we should extract from them not petty cash, but a large sum of money."

A few minutes later, Republican lawmaker Gerald Solomon took the floor and said: "A few minutes ago, one of my colleague denounced Germany, Japan, and South Korea. I agree with her that Germany and Japan deserve denunciation. However, I demand that my colleague delete the name of South Korea, because South Korea has actively participated in the struggle for the defense of freedom and national self-determination and is still involved in such a struggle. In exchange for expunging the name of South Korea, I suggest that the name of the Soviet Union, a nation that contributed not even a dollar or a single life for the war in the Gulf, be added to the list."

These two lawmakers' remarks could be ignored if they were outbursts of conflicting opinions that often flare up in the U.S. Congress. However, these two U.S. lawmakers were making reports on the results of their fund-raising trips to the allies. Since Rep. Schroeder is the one who came to South Korea for that purpose, we cannot brush her remarks aside.

What have the many Korean Government officials and lawmakers whom Rep. Schroeder met during her visit to Seoul explained to her, and what made her conclude that our country was offering only petty cash despite the enormous benevolence from the United States?

The war, fortunately, is over. Whatever the public opinion in the U.S. Congress, the members can no longer ask more from our country.

Now, what will happen to our country's share of the postwar rehabilitation that may be awarded in exchange for contributions?

The government plans to send an assistant vice minister to the United States to ask for a broader share of our country's participation in the postwar rehabilitation. It remains to be seen how much of a concession Korea, which even failed to persuade a U.S. lawmaker bent on collecting war funds, can extract from the high- hatted United States.

Even the contribution of $500 million, along with the Army medical team and Air Force transportation group, may have been wasted as no better than petty cash, without substantial benefit.

'New Thinking' Urged

SK0303124391 Seoul CHOSON ILBO in Korean 1 Mar 91 p 3

[Editorial: "The Restructuring of the New Order in the Middle East Should Be Based on New Thinking"]

[Text] The Gulf war is over. With the U.S.-led multinational forces being powerful enough to sweep through the whole territory of Iraq, the Iraqi Armed Forces have almost been crushed. As a result, the dream of Saddam Husayn, who tried to be another Saladin, the Arab hero who recaptured Jerusalem from the Crusaders in the 12th century, is dashed. On the other hand, U.S. President Bush, who, with his image as a "wimp," used to be rated as "the person best suited to be vice president" during his eight years as U.S. vice president, has now demonstrated his ability as the most powerful president capable of dealing with the world. Pax Americana, meaning peace to be provided by American leadership, has been very successful.

The United States, having avoided the danger of exchanging nuclear weapons with the Soviet Union in the wake of the cold war, has been enforcing what is known as "low-intensity conflict strategy." The essence of this is to maintain the global order by dealing with such low-intensity conflicts as regional feuds, terrorism, and drugs. Religious enthusiasm and the characteristics of certain leaders are some of what the United States regards as the potential seeds of regional feuds, namely in such unpredictable countries as Libya, Iran, North Korea, and Cuba. As recently as August last year, Iraq was on the list of candidates classified as a pro-United States country.

Nevertheless, Iraq was the first to challenge the Pax Americana, and then was mercilessly defeated. This stark reality, we believe, will teach al-Qadhdhafi, Hashemi-Rafsanjani, Kim Il-song, and Castro a living lesson.

What is more, the Soviet Union saw its international standing fall a notch following its failed effort as a peacemaker in the Gulf. Following the collapse of the U.S.-Soviet bipolar system, a multipolar system was expected to fill its place. However, a single polar system has now settled in the world at the end of the war in the Gulf.

Our keen attention is riveted on the determination of the United States, which has restored global order based on the UN Security Council resolutions. We also would like the United States to be as considerate and efficient in dealing with the postwar issues as in prosecuting the war in the Gulf. This is not simply because we have suffered such tragedies as division and fratricidal war due to the mishandling of the postwar issues following World War II. It must be remembered that the Gulf war was part of this legacy.

The United States has now taken it upon itself to build a new order in the Middle East and, going one step farther, a new world order. We think that it is going to be a little more difficult than a superpower going to war with a less developed country and defeating it with assistance enlisted from major powers according to UN resolutions. This enterprise should be based on new thinking. Conventional wisdom or a policy of regarding the Middle East as nothing more than a source of oil as well as a market to dump weapons should be abandoned. Such actions as propping up unpopular regimes in Arab nations and thereby arousing anti-U.S. sentiment should not be repeated. Efforts must be made to bring durable peace to the Middle East.

If the United States, intoxicated by its victory, tries to have its way in the postwar Middle East in defiance of international opinion, it will encounter opposition from the Soviet Union and will enter in conflict with France, which remains a step behind the United States, even though it participated in the war against Iraq. The United States is called on to show the same self-control in the postwar handling of issues that it demonstrated in the final days of liberating Kuwait. The countries participating in the coalition forces and the Soviet Union are also called on to keep cooperating with each other as they did during the war.

In terms of economic interest, the United States and other countries involved in the multinational forces should avoid the appearance of scrambling for their share of the postwar rehabilitation of the Middle East. Durable peace in the Middle East will be impossible without economic restoration. The advanced economies and the Arab economies should cooperate with each other on the principle of reciprocity according to a Middle East version of Marshall Plan.

Role in Recovery Urged

SK0403141491 Seoul CHOSON ILBO in Korean 1 Mar 91 p 3

[Editorial: "The ROK's Choice After the War"]

[Text] U.S. President Bush has declared an end to the Gulf war, thus suspending armed conflict in the Middle East, which had been escalating since last August.

The Middle East situation and the Gulf war have so far directly and indirectly affected our country in various respects. They have affected our energy supply because we depend upon the Middle East region for most of our oil imports. They have also greatly affected our exports to the Middle East and construction contracts there. In other words, we have suffered economic losses, and our businesses have inevitably suffered setbacks.

Also, our country contributed to war expenditures for the multinational forces and sent medical and transportation teams to the Gulf. In other words, we have indirectly participated in the Gulf war.

What we must pursue is clear at this time when a new order and a balance of power are likely to be established in the Middle East region after the Gulf war and when discussions of recovery from the war are already under way.

First, we must try hard to express our opinions on establishing a new order in the Middle East after the Gulf war. The United States will play a central role in establishing a new order there. A balance of power and peace in the

Middle East are most important to our country, which has no alternative but to continuously import crude oil, mostly from the Middle East, and to continuously export goods to the Middle East and win construction contracts in this region. This is because a mechanism for maintaining a durable peace is absolutely necessary for us to import energy at stable prices. Of course, toward this end, we must establish high-level dialogue channels with the United States and other major allied countries.

Second, we must strengthen our diplomatic relations with Saudi Arabia, Kuwait, and other oil-producing countries in the Middle East. It is said that some Middle East countries are not happy about the fact that we hastily repatriated our workers and residents from the region. We must explain why we did so and must give priority to strengthening relations with them by stepping up diplomatic efforts. Also, as a country that not only contributed to war expenditures but also sent supporting units, we must faithfully fulfill our responsibility.

Third, the government and businesses must divide responsibilities among themselves and cooperate with each other. The Kuwaiti Government in exile has already signed a great number of contracts with U.S. companies to recover war damages and to import goods, thus displeasing West European countries. However, our businesses have maintained relations of economic cooperation with Middle East countries since the early 1970's and, it is believed, have accumulated a great deal of experience and technology. Therefore, the government must upgrade the level of dialogue with the United States and Middle East countries and strengthen relations with them, thus indirectly assisting private businesses in winning contracts.

It is not desirable for countries that sent troops to the Gulf war and West European countries to compete among themselves to win contracts in the Middle East region, which is in a difficult situation in which, as a result of massive destruction and casualties, it will take scores of years to recover from the war. However, it is natural that our country, a responsible member of the international community and a country that is indirectly participating in the Gulf war, positively participate in the establishment of a new order after the war and the recovery of war damages. Still, in carrying out these tasks, we must ensure that the two principles—peace in the world and our national interests—do not run counter to each other.

Japanese Offer To Mediate Safeguards Condemned

SK0503075791 Seoul YONHAP in English 0727 GMT 5 Mar 91

[Excerpt] Seoul, March 5 (YONHAP)—South Korean Prime Minister No Chae-pong lashed out Monday at former Japanese Deputy Prime Minister Shin Kanemaru's bid to mediate between the United States and North Korea in connection with the international inspection of North Korean nuclear facilities.

Talking with a group of Japanese reporters at his office, No said that the issue of Pyongyang's signing of the nuclear safeguards agreement was "not a matter for Japan to meddle with offhandedly."

"There is a call for the withdrawal of the U.S. Army from South Korea behind North Korea's arguments. North Korea tries to link all matters, including the nuclear affair, with a pull-out of the U.S. Army from South Korea," he said.

Kanemaru reportedly asked Kim Yong-sun, a senior official in the North Korean Workers Party, last week in Japan if he could mediate between Washington and Pyongyang on signing the nuclear safeguards accord of the International Atomic Energy Agency (IAEA). Pyongyang wants to discuss the matter with Washington, not Seoul. [passage omitted]

Seoul, Moscow Fail To Agree on Direct Sea Line

SK0203021291 Seoul YONHAP in English 0149 GMT 2 Mar 91

[Text] Seoul, March 1 (YONHAP)—South Korea and the Soviet Union have agreed in principle to conclude a bilateral maritime pact at an early date but have failed to iron out differences on a direct sea line, the Korea Maritime and Port Administration (KMPA) said Saturday.

Negotiators were unable to solve technical obstacles to opening a direct sea route between the southeastern Korean port of Pusan to the Soviet Far Eastern port of Vostochny during the Fourth Korea- Soviet Maritime conference in Moscow Feb. 25-27, KMPA said.

The Moscow talks left specific provisions of the pact to be discussed through diplomatic channels, a spokesman for KMPA said.

It was agreed to establish maritime offices in each other's nation based on reciprocalism, and the Soviet side confirmed a promise of equal treatment of Korean with Soviet vessels and a cut in port charges for Korean vessels, he said.

The Korean side explained its plan to lower discrimination against foreign ships using Korean port facilities by April 1 and rejected a demand that Soviet vessels be allowed to participate in trade between Korea and third countries, explaining the bad situation of Korea's shipping industry, he said.

Korea promised to permit Soviet vessels to take part in Korean trade with third countries on a gradual basis after opening a direct route between Pusan and Vostochny.

Opening a direct route is likely to be delayed to the latter half of the year since the two sides failed to agree on details, including agencies to represent their shipping companies, he said.

Government Refuses Letters for Dissidents

SK0503093791 Seoul YONHAP in English 0919 GMT 5 Mar 91

[Text] Seoul, March 5 (OANA-YONHAP)—The South Korean Government refused Tuesday to accept North Korean letters addressed to dissident organizations "in accordance with the established practice of not receiving any message or letter from the North that is likely to cause unnecessary side effects or political disputes," a government spokesman said.

The head of the North Korean Red Cross Society, in a message to his opposite number in the South Korean National Red Cross, said Tuesday he would send two liaison officers to the truce village of Panmunjom on Thursday morning to hand over the letters to the South, according to North Korean radio monitored in Seoul.

The letters are signed by the General Federation of Korean Trade Unions and the Korean Agricultural Workers Union and are addressed to Chonnohyop (The National Alliance of Trade Unions), Chondaehyop (The National Alliance of Student Representatives) and the Federation of National Farmers' Associations.

North Korean radio also said the liaison officers would accept a letter from National Assembly speaker Pak Chunkyu to his Northern counterpart, Yang Hyong-sop, on the Inter-parliamentary Union General Assembly this April in Pyongyang. But it was learned here Tuesday that Pak's letter was already delivered to Yang on Feb. 8.

Liaison Officers To Meet, Name Ping Pong Coaches

SK0503024091 Seoul YONHAP in English 0226 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—Liaison officers from South and North Korea will meet at the truce village of Panmunjom on Wednesday to decide the team leader, manager and coaches for the joint Korean entry in the world table tennis championships in Japan in April.

They will also exchange physical data on the players and officials so that uniforms and sweat shirts can be made.

The officers have been authorized to act as liaisons during joint training for the table tennis players from both sides in Nagano, Japan, from March 25.

Sports Official 'Hopes' Sports Talks To Resume

OW0203120491 Tokyo KYODO in English 1121 GMT 2 Mar 91

[Text] Sapporo, March 2 KYODO—A top South Korean sports official said Saturday he hopes to see inter-Korean sports negotiations resumed after the annual military exercise in South Korea ends in late April, with next year's Barcelona Olympics and other major sports events in mind.

In an interview with KYODO NEWS SERVICE in Sapporo, Chang Chong- sik, the chief delegate for the negotiations and vice president of the (South) Korean Olympic Committee, said he realizes North Korea would not resume the talks until the U.S.-South Korea "Team Spirit" exercise is finished.

Chang said if the negotiations are resumed, high on the agenda will be fielding single teams for the Barcelona Olympics and the 1995 Winter Asian Games in Samjiyeon, North Korea, as well as organizing a regular inter-Korean soccer competition.

He also said both sides may discuss staging such sports as ice hockey, table tennis, boxing, wrestling, and judo, in which the two nations' competitive skills are almost the same.

But Chang is not confident about fielding a unified team for the Barcelona Olympics since he thinks North Korea would demand team leaders be selected from each side, which he said is not acceptable.

Meanwhile, despite "Team Spirit," a united Korean table tennis team will train in Japan in early April and compete in the world championships at Chiba from April 12 to 24.

Report on North-South Sports Cooperation

SK0503121991 Seoul YONHAP in English 1150 GMT 5 Mar 91

[Text] Seoul, March 5 (OANA-YONHAP)—North Korea has shown a positive response to South Korea's invitations to the World Jamboree Conference in August and the ethnic Korean people's festival in September, vice sports and youth minister Kim Yong-kyon said Tuesday.

North Korea will soon inform South Korea of its decision on whether to participate in the events and whether it will host the Second Dynasty Cup International Soccer tournament in Pyongyang, said Kim, who returned home Tuesday from Sapporo, Japan, the site of the Winter Universiad.

Kim said that Pak Myong-chol, vice chairman of the (North) Korean Physical Culture and Sports Guidance Committee, promised him during a meeting in Sapporo to review the South Korean invitation in a positive way when he returned to North Korea and notify the results at an early date.

Kim said he formally asked Pak, chef de mission of the North Korean universiad squad, to send delegations to the jamboree and ethnic sports festival.

Pak expressed the view that South and North Korea should make effort for the success of such events which he said are worth having for the advancement of the national unification, Kim said.

Kim said he proposed that South Korea will support doping test equipments for the 1995 Winter Asian Games to be hosted by North Korea and asked for cooperation for the success of the joint Korean participation in the world table tennis championships in April in Japan and the world youth soccer championship in Portugal in June.

Women's Groups Plan North-South Cooking Contest

SK0403122891 Seoul YONHAP in English 0825 GMT 4 Mar 91

[Text] Seoul, March 4 (YONHAP)—To test the theory that food is an everlasting element of a national culture, 30 traditional dishes from South and North Korea will compete in a friendly cooking competition in Pyongyang this month.

The six-day festival was organized by the Korea Housewives' Association in the South and the Korean Democratic Women's Union in the North with an American go-between. If it is a success, there will follow exhibitions of embroidery and handicrafts in Seoul to promote exchanges and sisterhood among Korean women.

APEC Preparatory Meeting To Begin 5 Mar on Cheju

SK0403022791 Seoul YONHAP in English 0210 GMT 4 Mar 91

[Text] Cheju, South Korea, March 4 (OANA-YONHAP)—Preparations for an Asia-Pacific Economic Cooperation (APEC) ministerial meeting begin Tuesday on this southernmost island of Cheju.

More than 120 vice minister and assistant minister-level officials from foreign and economics-realated ministries from 12 APEC-member nations will discuss the agenda for the full meeting in Seoul in October, Foreign Ministry officials said Monday.

Items expected to be included on the agenda are the regional economic impact from the Gulf war and the delayed Uruguay Round negotiations, and membership for the three Chinas—China, Taiwan and Hong Kong. The membership issue is of particular interest to South Korea, which is in charge of arranging negotiations as host country, the officials said.

Participants will hear updates on the progress of the group's seven cooperation projects, such as trade promotion, investment and technology transfer expansion, human resource development and telecommunication. They will discuss adding new projects in the transportation, tourism and fisheries sectors, the officials said.

Ambassador-at-large Yi Si-yong, head of the ministry's special foreign policy task force, will head the Korean delegation at the two-day meeting on this honeymoon island.

Member countries—Australia, Canada, Japan, New Zealand, the six ASEAN members and South Korea—will also discuss joint measures on the growing free export zones in North America and review the possibility of setting up the same zones in the Asia- Pacific region.

North's Participation Approved

SK0303061091 Seoul TONG-A ILBO in Korean 3 Mar 91 p 1

[Text] It was learned on 2 March that in connection with the fact that North Korea has recently expressed its intention of attending a ministerial meeting of the Asia-Pacific Economic Council [APEC] which will be held in Seoul in October, the ROK Government has decided to affirmatively examine this.

The APEC is an intergovernmental council that the ROK, the United States, Japan, Canada, Australia, and the six ASEAN countries established in 1989 to promote economic cooperation and free trade among countries in the Asian and Pacific region. North Korea's expression of the intention of attending this meeting is noteworthy in view of its recent efforts to escape from diplomatic isolation and to advance to the Asian and Pacific region.

A high-ranking government official said on 2 March that "when he was visiting Thailand as part of his trip to three Southeast Asian countries last February, North Korean Premier Yon Hyong-muk said to the Thai side that North Korea has the intention of attending the APEC meeting" and that "if North Korea officially notified our side, the chairmanship country of the APEC, that it has the intention of attending this meeting, we will affirmatively examine this in an effort to lead North Korea to open up and to make progress in North- South dialogue."

This government official also said: "Only countries that maintain a market economic system can join APEC. Therefore, North Korea will ultimately have to reform its economic structure if it wants to join this council. However, it can attend the meeting as an observer." He also said that "India, the Soviet Union, and some other countries, in addition to North Korea, also strongly want to attend the meeting as observers."

This government official also said that "East Germany opened up and made reforms not only because West Germany had influence on it but also because, as a member of the Council for Mutual Economic Assistance (COMECON), it had frequently facilitated exchange and cooperation with various European countries," adding: "The government judges that we must lead North Korea to open up and make reforms not only by developing North-South relations but also by leading it to join in a bigger structure like APEC."

When he was making the Southeast Asian trip last February, Premier Yon also supported the plan to establish the East Asian Economic Grouping, which was recently proposed by Malaysia.

No Tae-u: North Isolationist Policy 'Dead End'

SK0503082591 Seoul YONHAP in English 0756 GMT 5 Mar 91

[Text] Seoul, March 5 (YONHAP)—South Korean President No Tae-u warned military cadets Tuesday that North Korea was "extremely" isolated and said its isolationist policy has run into a "dead end."

"Our defense capability holds the key to inducing change in the North so that they will start on the path of peaceful unification," he said in an address to the 47th commencement ceremony of the military academy.

"Nobody can rule out the possibility that being so obsessed with extreme isolationism and so gripped by a sense of crisis, the North may plunge into reckless military adventurism. The fact is that we cannot count on their self-restraint and reason for the security of this peninsula.

"Accordingly, only our own defense capabilities can preserve peace on the Korean Peninsula," No said.

Touching on the just-ended Gulf war, No said, "the war has highlighted three-dimensional battles, involving the land, sea and air, simultaneous fire in the frontline and rear areas, a near perfect communications and intelligence network and the all-out mobilization of state-of-the-art equipment and precision weaponry."

The chief executive also stressed the need to "Koreanize" its defense, saying, "even while firmly maintaining the system of Korea-U.S. security cooperation, we must also establish an independent defense posture by developing an innovative strategy and tactics, and a more streamlined system of military force, all designed to better suit Korean realities."

Paper: No Tae-u 'Losing His Grip' on Party

SK0103233291 Seoul THE KOREA TIMES in English 2 Mar 91 p 2

[By staff reporter Sin Hak-nim: "Is No Losing Grip on His Party?"]

[Text] President No Tae-u is losing his grip on the ruling party. He experienced difficulties two weeks ago in having his choices accepted as replacements for key party officials.

No was forced to compromise with Kim Yong-sam, executive chairman of the Democratic Liberal Party [DLP], on personnel management rights normally vested in the President. As a result, figures sympathetic to Kim, No. 2 man in the DLP, were picked.

Upon hearing of Kim's objections, a senior presidential aide was quoted as having grumbled, "How come the President can't replace party officials according to his will."

In addition, the government's efforts to hold local council elections in small administration units in March were frustrated by the DLP on Thursday.

Receiving recommendations of ranking officials from the administration and the party, President No made up his mind to hold local council elections separately in the two-tiered units.

On Thursday morning, presidential secretaries distributed pamphlets to reporters in preparation for announcing the timetable for separate local council elections.

Just an hour later, however, the government's plan was shelved as executive members of the DLP raised strong objections to it in their weekly meeting.

Five executive members asserted that the government's decision on separate elections is a breach of the earlier bipartisan agreement and will have an adverse effect. Except Rep. O Yu-pang, all are followers of Kim Yong-sam.

In the face of the objections, executive chairman Kim declared that the DLP will shelve the plan and resume negotiations with the opposition Party for Peace and Democracy.

For that reason, the DLP's decision in the meeting was regarded as a sort of premeditated "revolt" against President No. But, Kim's aides instantly denied such speculation.

They said that even executive chairman Kim favored the separate elections. An aide commented, "Consensus is being generated among senior DLP members that the DLP should not be at the mercy of the administration and the President's hawkish aides on major political issues."

An increasing number of lawmakers of the Democratic Liberal Party are expressing concern over the manner President No is handling state affairs as well as party issues. They say that the President is too cautious when it comes to making decisions. Some others criticize he is indecisive.

Referring to his big ears, President No has boasted that he likes listening to others rather than asserting himself unlike his predecessor Chon Tu-hwan.

That might be one of the causes that No is losing grip on the DLP, party insiders say. No entered his fourth year of office Monday.

Senior party members pointed out that President No was poorly advised by his aides in dealing with the Suso housing scandal.

Rep. Yi Chun-ku, a former home minister and associate of President No, admitted this. He said, "Upon the reports of the Suso affair, I cautioned on the telephone to a senior presidential secretary that it should be taken seriously."

"But, the presidential staff seemed not to be aware of the seriousness of the situation," Rep. Yi said.

President No's followers make up the mainstream faction in the DLP which was created by the merger of three parties one year ago. However, the mainstream faction has been torn asunder.

To make matters worse, the DLP is receiving support from less than 10 percent of the people, according to a recent survey.

Taking advantage of the situation, a group of supporters of Kim Yong-sam are showing signs of an organized move to call for a change in the DLP leadership and an early national convention to nominate the presidential candidate.

Under the current party leadership, No heads the DLP and is authorized to make major decisions on party affairs, though his top deputy Kim Yong-sam is in charge of daily party operations.

Kim's followers threaten to break up the DLP unless President No promises to help Kin win the party's nomination as presidential candidate within the year. Kim Yong-sam is persuading them to be patient.

However, those long-time followers of Kim are also increasingly getting out of his control because parliamentary elections are approaching.

Rep. Mun Chong-su said, "We think it impossible for our party to restore confidence from the people without taking proper measures to turn around the situation."

'Key' Leader of Communist Organization Arrested

SK0103233991 Seoul THE KOREA TIMES in English 2 Mar 91 p 3

[Text] Kim Chin-chu, 35, wife of well-known poet and proletarian revolution advocate Pak No-hae, was arrested Thursday at a cafeteria in Mia-tong, northern Seoul, the Agency for National Security Planning [NSP] said yesterday.

Ms. Kim was caught by NSP agents while attempting to meet her mother at a department store cafeteria at about 12:30 p.m., the agency said.

Ms. Kim's mother had been being shadowed by security agents since her daughter was put on the wanted list for allegedly leading an illegal communist organization that seeks a proletarian revolution in South Korea.

Together with her husband, whose real name is Pak Ki-pyong, 33, Ms. Kim was one of the key leaders of "Sanomaeng," or the Socialist Workers League, which was defined as an antistate organization sympathizing with North Korea.

An NSP spokesman said it had asked the Seoul district court to issue a writ to formally arrest the woman activist.

Interrogation centered on revealing the whereabouts of Pak No-hae who has sought the collapse of the No Tae-u administration through ceaseless contribution of his articles at "Nodong Munhak," the monthly organ of Sanomaeng.

Sanomaeng was inaugurated in 1989 by Pak, Kim and Paek Tae-ung, 28, a Seoul National University dropout who is suspected of providing the radical Marx-Leninism ideology.

The government conducted a massive crackdown on the underground activist organization in November last year. However, Sanomaeng's key leaders, including Pak and Paek, have survived the intensive manhunt of the security agency.

According to NSP's information, Kim married Pak at a church in Seoul in 1983.

* SOFA Revision Said Concluded After 24 Years

912C0099 Seoul HANGUK ILBO in Korean 15 Jan 91 p 8

[Article by reporter Yi Chang-min: "After the Reivision of 24-Year-Old SOFA (Stationary Occupation Forces Agreement), Some Details and Points of Issue Are Discussed"]

[Text] After two years of negotiation, South Korea and the United States finally concluded revising SOFA on 4 January. South Korea now has vastly increased jurisdiction over crimes committed by the U.S. forces stationed in Korea. The agreement signed both by Foreign Minister Yi Sang-ok, and the U.S. Ambassador to South Korea Donald Gregg, will become effective after it is reported to the special session of the National Assembly on 24 January. It is not subject to ratification by the National Assembly. The unfair relationship between the two countries will finally be corrected 24 years after the agreement was signed in 1966. SOFA applies to the U.S. forces stationed in Korea. The original provisions in the agreement, however, were unfair and strongly favored the American forces. It has therefore been regarded as a symbol of unfair relationship between South Korea and the U.S. It has also been one of the causes which touched off anti-American sentiments among Koreans in the past. Because of the recent revision, the rights of Korean victims will now be widely protected against the crimes committed by the U.S. forces in Korea. Moreover, Korea's sense of pride as a sovereign nation will now be restored in the area of criminal jurisdiction. On this occasion of SOFA revision, the history of SOFA, the details of revision, and some points of issue are studied in the following article.

SOFA's History

South Korea and the United States began negotiating on SOFA in 1962 and, after five years, concluded the agreement on 9 July 1966.

As one can see from the long period of time the negotiation lasted, both countries stubbornly resisted yielding to each other's demands. Due to the cold war climate in the Korean peninsula at the time, however, the relationship between the two countries was one of that between a benefactor and a beneficiary. South Korea's subordinate relationship to the United States in the 1960's is well reflected in the outcome of the original SOFA.

The SOFA of 1966 was regarded as a symbol of unfair relationship between South Korea and the United States. The original agreement of 1966 consisted of a preamble, 31 provisions of the agreement, and texts of related subjects such as implementation of the agreement, items of understanding, and official letters exchanged.

Besides some problematic items regarding land/installation, customs/duties, labor disputes, and inspection of agricultural products, the most important provision in SOFA is the item number 22 which deals with the jurisdiction over crimes committed by the U.S. forces stationed in Korea.

The original text of SOFA clearly states that crimes committed by the U.S. forces while on official duty, as well as crimes committed against the property and safety of the U.S. Government, fall under the jurisdiction of the U.S. law. It also states that, although Korea has the preliminary jurisdiction over the rest of crimes involving the U.S. troops in Korea, Korea should respond favorably to the United States if so requested.

The same provision is also included in the SOFA of NATO, Japan, and the Philippine Islands. It superficially guarantees Korea's jurisdiction over crimes committed by the U.S. forces stationed in Korea.

The United States, however, subsequently expanded the original text's sphere of "favorable consideration." In the implementation agreement, the United States limited

Korea's jurisdiction to only the most serious crimes committed by the U.S. troops. Furthermore, in the supplementary provisions and official letters, the United States defined the most serious crimes as those against the safety of Korea: murder, burglary, and rape. The United States, therefore, had jurisdiction over all the other crimes committed by the U.S. troops stationed in Korean.

The fact that Korea had no jurisdiction over traffic accidents and acts of violence involving the U.S. military, sometimes bred bad feelings among Koreans.

Since 1985, however, anti-American sentiment, which had originated among university students, spread steadily among the general population, reaching its height during the 1988 Olympic Games. The internal pressure to reassess the South Korea-U.S. relationship has been mounting ever since.

The easing of cold war tensions, and Korea's pursuance of the northern policy, along with her economic growth and national pride have prompted her earnest effort to revise SOFA since December of 1988, culminating in its final revision today.

Details of Revision

The nucleous of today's SOFA revision is in the area of criminal jurisdiction. Both countries have agreed to abolish all the supplementary provisions and official letters which hitherto prevented Korea's jurisdiction over crimes of U.S. troops. These have now been replaced by new agreements.

Unless the Korean Government petitioned the U.S. military for the right to try an alleged criminal within 15 days of the crime's taking place, the matter became subject to U.S. law by default in the original SOFA. This default provision has now been abolished.

In case the United States requests our government to give up the right to try, the Government now has a maximun of 42 days to reply to the United States.

In other words, the choice to exercise jurisdiction over crimes committed by the U.S. forces is now in our hands.

Our government's limited jurisdiction over a preliminary trial of a crime committed by the U.S. forces has also been revised. The government now has jurisdiction over most of the crimes, such as a hit-and-run to name just one.

The provision which states "the Korean Government has no jurisdiction over the crimes committed by the U.S. forces while on duty" has been left unchanged in the current SOFA. The government's public prosecutor may, however, question the official document issued by the U.S. military regarding the alleged crime.

Points at Issue

Regarding the revised SOFA, the Ministry of Justice announced "it is a great victory on our part that Korea now has the criminal jurisdiction and option to prosecute crimes committed by the U.S. military stationed in Korea." The ministry, however, regretted that "the provision that the prosecutor does not have the right to appeal to the Supreme Court once the defendant has been acquitted of the alleged crime" has been retained in the revised SOFA.

In 1988, a U.S. Army sergeant, when provoked by an intoxicated Korean, pushed the man to the ground, which resulted in the man's death due to the head injury he received. The Army sergeant was sentenced to five years in prison at the first trial. He was, however, subsequently acquitted of the crime at the appeals court for the reason of self-defense.

The regulations in SOFA, however, prevent the prosecutor from appealing to the Supreme Court, and the sergeant is now a free man.

SOFA specialists point out that there is no way to arrange an interrogation of a criminal suspect in case he hides out inside a military compound. In this respect, SOFA in Korea is not up to par with its counterparts in Japan and Germany.

In Japan, the final verdict on a crime committed by a member of the U.S. military while on duty, rests with a judge, stressing the sovereign nation's jurisdiction over all crimes committed in the country.

In Germany, if a member of the U.S. military is caught while committing a crime, he may be arrested and put in jail without an arrest warrant. Moreover, for the sake of preventing a crime, the German Government may confiscate weapons and imprison a suspect without the consent of a U.S. authority even inside the U.S. military installation. Some persons knowledgeable with SOFA point out, however, that willingness to prosecute the criminals connected with the U.S. military, and the expansion of jail facilities are more important than the mere text revisions of SOFA.

The numer of indictments against alleged criminals connected with the U.S. forces in Korea reached 916 between January and October of last year. Due to the lack of willingness to prosecute and the shortage of jail facilities on our side, however, only seven of these 916 indictments eventually came to trials, a mere 0.7 percent of the total number.

Due to the language problem and the lack of assertiveness on the part of Korean officials, criminal cases connected with the U.S. forces are often handed over to the U.S. authority, making it almost impossible for the government to exercise its legal rights.

It is therefore important to speed up the process of educating our districts' public prosecutors in charge of SOFA, and to establish the internal guidelines for prosecuting the crimes connected with the U.S. forces.

The Ministry of Justice plans to decide at what level the criminal jurisdiction over the U.S. forces should be enforced by the middle of this month, and the guidelines will be sent out to all the districts' public prosecutors.

A source at the Ministry of Justice said, "the government will have jurisdiction not only over such crimes as murder, robbery, and rape, but also its jurisdiction will be expanded to cover offenses regarding driving under the influence of alcohol, hit-and-run, custom and duty evasion, drugs, obstruction of official business, and criminal assault and larceny committed by more than two people." He also said, "the government is continuing talks with the U.S. military to set up an agency in charge of deciding the right jurisdiction according to the revised SOFA."

Burma

Reportage on Problematic Drug Initiatives

BK0303041491 Bangkok BANGKOK POST in English 3 Mar 91 p 2

[By Suphaphon Kanwirayothin and Suphin Khuankaeo]

[Text] Drug warlord Khun Sa delivers one line repeatedly to justify his policies: "Give us the money and we can do whatever you want. Without money, we'll still grow opium."

The latest time was during a recent interview by a BANGKOK POST reporting team.

It may sound like extortion—and crooked—but the philosophy of narcotics control can hardly be better simplified as in this oft-repeated line which, like it or not, sums up the case of Thailand and Burma.

The road to anti-drug efforts in Burma succeeding looks as rugged as the mountainous landscape that symbolises Shan State, where the Rangoon military government is trying to establish a toehold through its latest strategy of fighting narcotics.

It hopes this will impress potential aid donors and win over the indigenous people with whom the government has never communicated.

The various insurgency movements on the Thai-Burmese border pose the first uphill task for Burma. The next is narcotics, said Bunphot Piamdi, director of Thailand's Northern narcotics Control Centre. These two issues are inseparable.

"Burma must consider what it will gain and who will help it," said another Burma watcher.

Giving his private assessment on the Burmese government's highly publicised efforts to curb drugs in northern Shan State, Mr Bunphot said success will hinge very much on the extent of Burma's commitment to the cause.

"The problem of ethnic minorities ranks as foremost, with narcotics second. If one cannot tackle the first problem how can one move to the second," he said.

Several armed ethnic rebel groups fighting for autonomy have still to be reckoned with.

Besides their battle-hardened armies, these groups have established zones of influence along the border to control activities ranging from timber to heroin production and drug trafficking, while claiming the cause of "liberation."

In a recent event designed to illustrate its commitment, the Rangoon government staged ceremonies to destroy poppy fields, heroin refineries and set ablaze a large amount of heroin, opium and related products at a two-day event in northern Shan, to which Thai journalists, diplomats and officials from international agencies were invited.

Senior Burmese army officials repeatedly stressed that the ruling State Law and Order Restoration Council [SLORC] will, with leaders of several ethnic groups in the region, fulfill the national commitment to combat narcotics.

Groups such as the Kokang and the Wa vowed to cooperate with the SLORC soon after they abandoned the Burma Communist Party [BCP] insurgency.

They emphasised that during the BCP days, local inhabitants had no choice but to grow opium and later be exploited by "others" into using the areas to set up herion processing plants.

While these groups pledged allegiance to Rangoon, there remain other armed forces which broke away from the BCP and have not yet decided who to side with. The danger is they may join Khun Sa.

"Steeped in abject poverty" is how Kokang leader Hpon Kyar Shin described the livelihood of his people.

The extent of poverty, the deepseated mistrust and hostility that the ethnic people and Rangoon traditionally feel towards one another make the new alliance very fragile.

How long can the groups of Wa, under Ai Hsio Hsu, the Kokang, Hso Hten's United Shan Army and the Fourth Brigade of the Kachin Independence Army, led by Mahtu Naw, afford to wait for Rangoon-aided development to bear fruit?

These ethnic people have been fighting the cruel, mountainous terrain to gain a subsistence living. This land is more fertile for opium than rice, their staple food.

In exchange for "cooperation" under the Rangoon government's six-year drug control plan, which begins this year, the ethnic population was promised the miracle of development.

The government will build a road network, enabling access to the area and serving as link with the outside world for transport of goods to be produced under the crop substitution programme and other items to make life possible without traditional opium growing.

The government will also build schools and hospitals. In the lead-up to the construction of a new community, without opium and heroin production, the Rangoon government will distribute rice and salt to villagers while poppy fields are systematically destroyed.

According to the Burmese Government, the 600 hectares of opium fields that span from Chinshwehaw to Yanmayshurapa were to be wiped out within five days, between January 27 and 31.

The Burmese Government has established a task force to track down poppy plantations and refineries and trace the movement of traffickers and money laundering.

With its financial standing, the Burmese government is unlikely to shoulder the entire cost of this massive project without outside help.

"Our group is determined to eradicate illicit drugs completely. We look forward to receiving greater assistance from the Government of the Union of Myanmar (Burma) and other foreign organisations to help us in our endeavours to combat this menace," Kokang leader Hpon Kyar Shin said at last month's ceremony in Burma.

But the Rangoon-ethnic alliance is temporary and will crumble soon, according to an analyst of Burmese affairs.

This is because the ethnic groups naturally expect development to come quickly, something Rangoon will have a hard time delivering given its meagre credibility in the international community which sees economic sanctions as a way to press democracy and human rights issues.

"Did you ask them how much money they get, and when are they going to get the money after the ceremonies?" said Khun Sa, adding his arch-enemy, the US Drug Enforcement Administration "may be crazy enough" to resume direct or indirect financial aid to Burma.

Refusing to be drawn into the topic of opium growing and heroin production in his MTA [Muang Tai Army]-controlled areas, Khun Sa tenaciously underscored poverty and hunger as justifying the narcotics industry.

"To have the people in Shan State or anywhere stop growing opium, you must take into account these three factors.

"You must give them shelter, food and clothes. Without these three things, any effort cannot succeed.

"Look at the Kokang people; do they have enough to eat? How do they live? Are they wearing tatered clothes?"

He also predicts a hefty portion of foreign money will go into the pockets of the SLORC and ethnic elites.

"I can never believe that the SLORC will use the money for the true benefit of the people. And what the SLORC is doing only makes life better among a handful of ethnic leaders and not the majority of the people," Khun Sa said.

A Burmese affairs analyst cast strong doubt on whether or not the Rangoon-ethnic alliance will survive this rainy season, when Rangoon will find it difficult to transport rice to feed people in the state.

Local inhabitants cannot wait too long with empty stomachs.

"When you succeed in getting rid of opium plantations in one place another tract emerges elsewhere. The chase is endless," Mr Bunphot said.

Delegation Leaves for Thai Narcotics Meeting

BK0403143591 Rangoon Domestic Service in Burmese 1330 GMT 4 Mar 91

[Text] In observance of the resolution passed at the United Nations General Assembly's 17th Special Conference on Narcotic Drugs held in New York in February 1990 regarding cooperative efforts among regional countries, a Myanmar [Burmese] delegation headed by U Ohn Gyaw, director general of the Foreign Ministry's Political Department, left by air for Thailand this evening to attend the Myanmar-Thai consultative conference to be held in Chiang Mai, Thailand, 4-8 March 1991.

The other members of the Myanmar delegation are U San Thein, director general of the People's Police Force and secretary of the Central Narcotics Control Board [CNCB]; U Tin Hlaing, managing director of the Myanmar Agriculture Enterprise and chairman of the Poppy Substitution Project Committee; Police Colonel Ngwe Soe Tun, director of the Narcotics Division and CNCB joint secretary; Lieutenant Colonel Kyaw Thein of the Defense Ministry and CNCB member; and Police Inspector Thein Myint of the CNCB's International Relations Division.

Consultant Mr. Christensen and Administrative Officer Daw Khin Hla Mon of the UNIDCP Office in Yangon [Rangoon] also left Yangon this evening to attend the meeting in Thailand.

The Burmese delegation was seen off by family members and responsible officials of the Foreign Ministry, the CNCB, Defense Ministry, the People's Police Force, and the Myanmar Agriculture Enterprise.

Saw Maung Issues Peasants Day Message

BK0203115791 Rangoon Domestic Service in Burmese 0130 GMT 2 March 91

[Text] Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], has sent a message on the occasion of the 1991 Peasants Day today. The message reads:

To all the esteemed peasantry: Today, 2 March 1991, is Peasants Day observed in honor of the entire peasantry throughout the country. On this auspicious day, I extend joyous greetings to all the peasantry throughout the country and wish them good health and success in their agricultural activities.

The peasantry constitutes the biggest force in the nation and they are producing food supplies most essential for human and other beings living in this country. As a matter of fact, their agricultural production constitutes the most fundamental and extensive production force of the nation. Therefore, strenuous efforts are being made in all aspects for the wellbeing and development of the peasants.

Throughout the history of Myanmar, the peasantry has been producing important food supplies—the lifeblood of the nation—and they have defended the country together with the Defense Services in times of national danger.

Furthermore, the peasants, who suffered greatly under the repressive exploitation by the avaricious imperialists and their minions, have always been patriotic and anti-imperialist in spirit. I would like to take this opportunity to mention a tragic historical event which illustrates the cruel exploitation of the peasants by the imperialists. After the completion of the Suez Canal which facilitated travel between Europe and Asia, the avaricious imperialists turned our country, which was their colony, into a rice bowl for all of their colonies. They exploited our country by sending rice produced in our country to their colonies—

India, Ceylon, Malaya, African countries, Egypt, Aden, Hong Kong, and countries of the West Indies—which urgently needed rice.

The imperialists laid down a well-designed scheme in exploiting their colonies. India and Egypt had to concentrate on growing cotton for British industry while Malaya had to concentrate on producing rubber and Ceylon on tea. In the 19th century there were one million acres under cultivation in Myanmar for domestic consumption, but the acreage increased soon from 1 million acres to 12 million in order to provide rice for the colonies of the imperialists. While we were still under servitude, the rice from Myanmar was bought at low prices as shown in figures for 1938-39. During the said year the acreage under cultivation in Myanmar was over 12.841 million which produced 5.95 million tons of rice. Of this, the imperialists sold 3.55 million tons. As the agriculture expanded more funds were needed and loans were taken from Chettyars who came from India. The Chettyars took out loans from British banks at nominal interest rates and loaned them to the peasants at exorbitant rates. They took advantage of the ignorance of the local peasants and cheated and exploitated them by signing one-sided and high-handed bonds.

The plight of the peasants worsened by the day as a result of the debt owed to the Chettyars and the heavy taxation of the capitalist-imperialist government. Agriculture and farm lands grew from 900,000 acres in 1911 to 1 million in 1921 and 1.5 million acres in 1931. The capitalists brought cheap farm laborers from India into Myanmar. The capitalists brought into our country nearly 500,000 Indian farm hands in 1931 alone. The British capitalists controlled and monopolized rice exports by setting up the Boulinger pool for rice trade which was made up of the Steel Brothers Company, the Lloyd Brothers Company, and the Anglo-Burma Company. This organization monopolized and manipulated the rice trade, and merchants and brokers in turn exploited peasants at different levels.

The indigenous peasants suffered from Chettyars interest rates, land and poll taxes imposed by the imperialist government which sided with the creditors and land owners, and intimidation from above. When they could no longer tolerate the unjust exploitation and ill treatment of the imperialist's government, Saya San, a leader of the Wunthanu [Patriotic] Organization, took up available arms and formed Galon armed units composed of peasants to challenge the imperialist government from 1929 to 1931. The peasant uprising led by Saya San, who earned the title of Thubanaka Guruna Raza, took place in Tharawaddy, Insein, Henzada, Prome, Bassein, and Pyapon, and spread to other districts.

The imperialists brought in more armed units from India and it took them two years to quell the rebellion. In the end patriotic farmers led by Saya San were caught and hanged by the imperialists. This historical event should never be forgotten. Therefore, I would like to urge the indigenous peasants of Myanmar, who had a bitter experience as slaves under the imperialists, to preserve the country's independence and sovereignty and prevent the recurrence of servitude and disintegration of the union of national unity by working hand in hand with the Defense Services.

At present when the country is undergoing political and economic changes, it is necessary to implement a system that can serve the interests of the entire people and peasantry. The SLORC is making the utmost efforts to bring about development in the shortest possible time of the peasantry of national races in border regions which have lagged behind in development.

I urge the peasantry in the country to have sympathy and to make concerted efforts to wholeheartedly help the peasants who are less developed. The SLORC successfully held the multiparty democratic general elections and there remains the task of taking systematic measures for drawing up the constitution the country needs. The people therefore should regard it as a national cause and I urge all to make concerted efforts in carrying out the task.

I wish to emphatically urge the entire peasantry to take an active part in drafting the constitution which is in keeping with fine tradition as well as to seriously implement their agricultural work which is their main task, in order to achieve development and success while helping in serving their own interests and those of all citizens of the country in a fair and balanced manner.

Brunei, Malaysia & Singapore

Malaysia

Sabah State Chief Protests Log Export Controls

BK0403150691 Hong Kong AFP in English 0937 GMT 4 Mar 91

[Text] Kota Kinabalu, March 4 (AFP)—Sabah State Chief Minister Joseph Pairin Kitingan Monday protested a decision by the Malaysian federal government to curb log exports from Sabah, saying it infringed on the state's rights.

Mr. Kitingan said that forestry was the prerogative of the state government according to the agreement under which Sabah joined the Malaysian Federation, and that any attempt to oppose those provisions was tantamount to infringement of Sabah's rights.

Primary Industries Minister Lim Keng Yaik said last week that log exports from oil-and timber-rich Sabah would be restricted with a view to banning them.

Dr. Lim said that according to a World Bank report Sabah would not have enough timber to support its domestic timber industries by 1995 if the present pace of logging was continued.

The federal government, faced with western environmentalists' claims that Malaysia was destroying its rainforests by allowing uncontrolled logging, had in the past been unable to do more than advise state governments to cut back on logging activities.

Dr. Lim last week ordered the Malaysian Timber Industry Board to take over the issuance of log exporting permits which had been delegated to the state forestry department.

Sabah Customs and Excise Department Deputy Director Shaharuddin Mohamad Nor said Saturday that the department would not honour export permits issued by the Sabah Forestry Department from Monday.

Log exports accounted for 13.9 per cent of Sabah's total earnings in the first 11 months of last year and sawn timber contributed another 13.6 per cent.

Mr. Kitingan said that there should have been consultation first on the matter, while his deputy Bernard Dompok said the move seemed to have political overtones.

Ties between Kuala Lumpur and Sabah's Parti Bersatu Sabah government have soured over the party's demand for greater autonomy and a bigger slice of oil revenues, analysts said.

Turkish Parliamentary Delegation Begins Talks

TA0403164291 Ankara Domestic Service in Turkish 1100 GMT 4 Mar 91

[Text] Kaya Erdem, Turkish Grand National Assembly speaker, currently in Malaysia at the head of a parliamentary delegation, has begun his contacts.

Erdem and the delegation accompanying him called first on Mohamed Zahir bin Haji Ismail, the speaker of the Malaysian House of Representatives, in Kuala Lumpur. According to information by ANATOLIA correspondent Sinan Bayansal, during the visit, Erdem expressed his belief that the deep-rooted relations between Turkey and Malaysia must be further promoted.

Haji Ismail said in reply that his country appreciated Turkey's economic development program and that efforts were being made to further advance economic and trade relations between the two countries.

Later, Erdem and the delegation accompanying him called on Malaysian Foreign Minister Datuk bin Haji Omar Abu Hassan. Erdem briefed the foreign minister on Turkey's Gulf policies. Expressing his pleasure over the ending of the Gulf war, Erdem said that Turkey will do its best for the establishment of peace and stability in the region.

In turn, the Malaysian foreign minister said that his country attaches great importance to cooperation between the two countries. He added that Malaysia will support Turkey in the search for a peaceful and lasting solution to the Cyprus problem.

Singapore

Saudi Official on Iraqi Post-War Role in Gulf

BK2802141591 Hong Kong AFP in English 1018 GMT 28 Feb 91

[Text] Singapore, Feb 28 (AFP)—Iraq would be welcome to play a part in the post-war security arrangements in the Gulf area, a senior Saudi official said here Thursday.

Shaykh Muhammad Ibrahim Mas'ud, a Saudi minister of state, told reporters that security in the area was a concern of all the countries in the region and Iraq should not be left out.

Asked if the other countries in the region would accept Iraq's President Saddam Husayn in the post-war security talks, Sheikh Mohammad said, "It is up to the people of Iraq to elect their leader."

"It is not for us to say if President Saddam Husayn should or should not remain in power," he added.

Sheikh Mohammad, here with a party of six officials, stressed that Saudi Arabia had no wish to interfere in the internal affairs of Iraq.

"Our policy has all along been not to interfere in the internal affairs of another country, and we also do not want other countries to interfere in the internal affairs of Saudi Arabia.

"The people of Iraq must decide on how their country should be run," Sheikh Mohammad added.

On the war itself, the Saudi minister said he and the other members of the coalition forces were extremely happy that it was finally over.

"We prayed for an end to the war and we are happy it is finally over now. It is now left to the Gulf countries to decide the security and peace in the region," Sheikh Mohammad said, adding that long-term peace and stability was necessary.

The sheikh and his delegation are in the course of a tour of Asian countries to explain Saudi Arabia's position in the Gulf war.

They had earlier visited India, Pakistan and Malaysia and are scheduled to visit Indonesia Friday.

Two similar Saudi delegations are now touring Africa, the sheikh said.

He stressed that Saudi Arabia had no intention of seeing Iraq or Saddam Husayn destroyed.

"We are against aggression in any form," he said.

Sheikh Mohammad earlier paid a courtesy call on Prime Minister Goh Chok Tong.

Cambodia

National Assembly Extraordinary Session Closes

BK0403165291 Phnom Penh SPK in English 0449 GMT 3 Mar 91

[Text] Phnom Penh SPK March 3— The National Assembly of the State of Cambodia closed its extraordinary session here Friday after adopting a number of key problems and the fundamental principles to implement the policy of national reconciliation and the search for a lasting, fair and equitable solution to the cambodian conflict. [sentence as received]

In his closing speech, National Assembly Chairman Chea Sim, who is also Politburo member of the People's Revolutionary Party of Kampuchea Central Committee and chairman of the National Council of the United Front for Defence and Construction of the Kampuchean Fatherland said:

"The Cambodian people always applaud the international community's contribution for helping the Cambodian people to exercise their right to self-determination through free and equitable elections under the UN supervision, the start with a cease-fire and the cessation of foreign military aid to all Cambodian parties.

On the basis of preventing the recurrence of the genocidal Pol Pot clique and maintaining the status-quo political and military situation, the United Nations organization could play an important role which conforms to its charter in the control of the application of the accords reached between concerned parties.

A susceptible neutral political environment for guaranteeing the holding of the free and equitable elections will not be real if the ringleaders of a genocidal regime always possess military and political disposions which enable them to make reprisals against the Cambodian people. Hereby, it is important to take all measures conformity with the principles of the UN charter and the international instruments to condemn the chieftains of the genocidal Pol Pot regime and not to put those criminals on an equal footing with their victims.

The State of Cambodia deems that is is necessary to maintain the political and military status quo to ensure the daily life and the execution of the right to self defence, if need be, in case of violations. The State of Cambodia has no interests else in the political settlement rather than what in the sphere of its responsibility for defending the lives, the property and the legitimate interests of the Cambodian people.

Cambodia is an independent, sovereign country administrated by a legitimate government which represents the entire population living in real symbol without any racial and religious discriminations and it is neither a colony of another state nor a territory under trusteeship. Therefore, the UN role in a political settlement of the Cambodian conflict should be conformed to the political status quo in this country.

The National Assembly has debated the draft plan on an overall political solution to the Cambodian conflict which dated on Nov. 26,1990 and formulated by the big five and the two co-chairmen of the Paris International Conference on Cambodia. It took note the efforts made by the United Nations and the international community in the search for an overall political solution to the conflict, the efforts which were deployed within a short period but materialized with a draft accord for submitting to the Cambodian parties.

The National Assembly highly valued those efforts and expressed its consent to most points provided in the document. However, it observed certain points to be further discussed:

1- The document does not stipulate the acts of genocide and the concrete measures for preventing the recurrence of the genocidal Pol Pot regime, one of the key-problems for a political solution to the conflict.

2- Detailed clauses of the document do not conform to the principles of the respect to the Cambodian people's right to self- determination, with regard to the political and military status quo.

Therefore, the National Assemby reaffirms that the State of Cambodia accepts most points of the document dated on Nov. 26, 1990, and accepts an important role of the United Nations on the basis of respect to the national sovereignty, the right to self-determination of the Cambodian people and the UN charter.

The National Assembly stresses that the State of Cambodia is always ready to carry on the discussions on the points with which it disagreed. Within this context, it calls for an urgent convening of the SNC meeting with a view to solving all problems relation to the internal aspect of the Cambodian problem aimed at promoting the peace process.

About the State of Cambodia's stance on the coming dialogue, the National Assembly gives the particulars as follows:

1- An overall political solution to the Cambodian conflict should mention concrete measures for preventing the recurrence of the genocidal Pol Pot regime.

2- It is necessary to maintain the political and military status quo pending the formation of a new government by the free and equitable elections.

3- An important role is to be granted to the United Nations in the settlement of the Cambodian conflict if it conforms to the UN Charter, the principles of the respect to the sovereignty and the right to self-determination of the Cambodian people. That role of the United Nations must be decided by the SNC in the name of representative of the Cambodian sovereignty.

The State of Cambodia's National Assembly appeals to the other side to demonstrate its real goodwill in order to resume the future negotiations in a sincere and constructive way, to discuss the fundamental points of the draft accord aimed at guaranteeing a [words indistinct] peace.

The National Assembly always welcomes the contributions made by the international community to the search for a lasting and equitable political solution which leads to a real peace for the Cambodian people, thus contributing to peace and security in the region and the whole world as well. Within this context, the State of Cambodia applauds the Vietnamese Foreign Ministry's statement dated on Feb. 28, 1991 which appealed to all Cambodian parties and the countries concerned to pomote the cessation of foreign military aid, cease-fire and the convening of the SNC meeting with a view to paving the way for an overall political solution to the Cambodian conflict.

SPK Reportage on Opposition 'Atrocities'

BK0503055591 Phnom Penh SPK in English 0428 GMT 5 Feb 91

["Crimes Committed by Tripartite Coalition Against Civilians"—SPK headline]

[Text] Phnom Penh SPK March 5—In early February, the Polpotists stepped up their new acts of actrocities towards the Cambodian people, especially the population of Battambang Province. The criminals of the genocidal Pol Pot clique, responsible for the death of millions of Cambodian people during its rule from 1975, rained heavy artillery shellings and fired rockets on the residential areas of the provincial town.

It is worthy to note that following the publication of the "Jane's Defence Weekly," according to which, China had decided to rearm the Khmer Rouge, the latter launched attacks against the positions of the Cambodian People's Armed Forces stationing at an area near a section of the Road 10 linking the provincial town to Pailin, and the northwestern part of the provincial town where their artillery pounding caused serious damage to dwelling houses, pagodas and administrative buildings. About one hundred dwelling houses and one market were burnt down, 20 civilians killed and 52 others injured after the enumeration on the spot.

Ieng Sopheap whose family lost four members said: "I never forget the new barbarous crimes of those criminal Polpotists against my family. I'm determined to transform my hatred for them into deeds to contribute to the defence of the country and the prevention of return to power of the clique."

Im Chhuor, native of Vat Kor Commune, with tears shed from his eyes, cited: "On Feb. 8, my wife and my sister were died [as received] by the Polpotists' artillery shelling. How can I forget that tragic event throughout my life? The Polpotists must be brought to trial before an international court for their crimes against the Cambodian people."

Earlier, the Polpotists, the Sonsannians and the Sihanoukists on Feb. 4 fired many hundred rockets on the district town of Phnum Srok, Banteay Meanchey Province. Five local inhabitants were killed and three others wounded. More than 10 hectares of rice were on fire.

The chairman of the District People's Committee made known that the people's armed forces recalled a recent big push against the enemy, during which the government forces annihilated 20 adversaries on the spot, wounded 40 others, destroyed one tank and collected two guns.

The three opposition factions had declared that they accepted a political solution based on the framework document adopted on August 28, 1990 by the five permanent members of the UN Security Council and the draft accord elaborated on November 26, 1990 but their attacks against the population of Battambang and Banteay Meanchey have confirmed that they had no intention to peacefully solve the problem.

Another evident fact could be seen through a statement recently made in Beijing and aired by the Chinese radio, with which Prince Norodom Sihanouk appealed to the tripartite coalition to intensify their military activities aimed at entirely liberating Cambodia.

Thereby, the prince overtly followed the Polpotists' advice and encouraged an escalation of war at a time when the international community, in particulary the cochairmen of the Paris International Conference on Cambodia and the concerned countries, are accelerating their efforts to find out a political solution by means of a UN peace plan.

According to the commander of the provincial armed forces of Battambang, their attacks against the population did not secure the authors of the crimes from their defeats. On Feb. 18 a garrison unit of Battambang Province intercepted the enemy elements who sneaked in a southwesterly direction of Cheung Meanchey Commune, Bakan District, eliminating 25 enemy troops on the spot. In the same incident, the government troops also seized 14 rifles, 35 [metric] tons of munition and an important quantity of other war means.

Report on Battles in Stoung, Chikreng Districts

BK0403140191 Phnom Penh Domestic Service in Cambodian 1200 GMT 4 Mar 91

[Text] Between 17 January and 1 February, our armed forces used combined forces, combined measures, and combined means to counterattack the enemies, inflicting shameful setbacks on them in Stoung District of Kompong Thom Province and in Chikreng District of Siem Reap-Oddar Meanchey Province. As a result, we killed 180 enemy soldiers on the battlefields, captured 114, and forced four others to surrender; we also received 138 misled persons. We seized 430 assorted firearms, 80 metric tons of ammunition, 42 ox-carts, 10 sacks of salt, 16 radios, two walkie-talkies, and some war materiel; burned 98 enemy barracks; and destroyed two vehicles and 10 ammunition trucks.

Moreover, the armed forces of Stoung District, in cooperation with its counterpart in Baray District, launched a counterattack against the enemies in an remote area in Prasat Balang District on 1 February, killing two and wounding several enemy soldiers and seizing one B-62 rocket launcher with two rockets and some war materiel.

Indonesia

Suharto Declares Country Safe for Tourists

BK0303150991 Jakarta ANTARA in English 0916 GMT 3 Mar 91

[Text] Nusa Dua (Bali), Mar 3 (OANA-ANTARA)—President Suharto here Sunday, inaugurated 75 tourism facilities worth around [figure indistinct] billion U.S. dollars across Indonesia, saying that the world's largest archipelagic state is a stable, safe and peaceful country.

"Probably it is not an exaggeration to say that today Indonesia is one of the safest and most peaceful countries in the world," he further said in the presence of three ASEAN leaders.

Such a situation is important for the country as it must continue to ensure economic growth not only from the oil/non-oil exports but from other sources, including tourism, he said.

The three ASEAN leaders were Prime Minister Mahathir Mohamed of Malaysia, Singapore Prime Minister Goh Chok Tong, and Sultan Hassanal Bolkiah of Brunei.

However, President Suharto reminded that despite the wide campaign to promote the country's tourism, the goal of development remains to build an advanced, prosperous, just, and thriving society that preserves its own identity.

"Whatever the development objective may be, we will never sacrifice our spiritual values, without which we will only destroy the very essence of our life," he stressed.

The tourism facilities inaugurated by the head of state were scattered in 14 provinces across Indonesia and they comprised star-rated hotels, golf courses, shopping complexes, and restaurants. Of the 75 facilities, 63 were hotels with a capacity of 9,058 rooms.

Indonesian tourism industry recently suffered from a decline due to the Gulf war which prevented many people from travelling widely.

The country's legislators had recently criticized the U.S. State Department's travel advisory which they feared would reduce the number of U.S. tourists visiting Indonesia.

The U.S. Ambassador to Indonesia John C. Monjo who attended the inauguration ceremony, upon ANTARA's question, refused to describe the "travel advisory" as a warning preventing U.S. citizens from travelling to Indonesia. "We issued travel advisory on 50 countries all over the world," he said, adding that advisory was the "lowest category" of travel warning on countries to be visited by U.S. citizens.

The ambassador said the highest category would only be applied in countries like Lebanon. However, he confirmed that the travel advisory on Indonesia specifically mentioned information on a curfew in the northern-most province of Aceh and border crossers in the Irian Jaya-Papua New Guinea area.

On the impact of the advisory of the rate of U.S. tourist arrival to Indonesia, he said: "It is difficult to say that it has no impact, but it is generally known that whenever there is a war, people will be reluctant to travel widely."

Malaysia's Mahathir on Cooperation, ASEAN

BK0203120291 Jakarta Domestic Service in Indonesian 0600 GMT 2 Mar 91

[Excerpt] Indonesia and Malaysia will study the two countries' taxation system in an effort to boost bilateral trade. The two countries will also study the similar basic policies to develop natural resources, such as forestry. This was disclosed by Malaysian Prime Minister Mahathir Mohamed at a press conference at Jakarta's State Guest House this morning.

He added that both Indonesia and Malaysia had cooperated in marketing raw materials, such as tin, palm oil, and forestry products. The prime minister cited as an example the two countries' cooperation in removing the false belief within the international community that palm oil contains cholesterol and might cause heart disease. This false belief has so far been popularized by the United States. The two countries have also worked together to reject the tropical timber allegations by European countries.

Speaking on his proposal to set up the East Asian Trade Grouping, Mahathir said ASEAN will continue to serve as the regional grouping and common vehicle of Southeast Asian nations. In this connection, ASEAN officials in charge of economic affairs will hold a meeting in Bandung and Kuala Lumpur in the middle of this month. Mahathir said the establishment of the East Asian Trade Grouping will serve more as a forum of dialogue concerning international trade and economic groupings. [passage omitted]

Border Checkpoints With Malaysia Inaugurated

BK0503035691 Jakarta THE JAKARTA POST in English 26 Feb 91 p 3

[Text] Jakarta (JP)—Indonesian and Malaysian delegates yesterday opened common border posts on the border of West Kalimantan and Sarawak.

Indonesia's chairman of the General Border Committee (GBC) Gen. Try Sutrisno officially opened the Indonesian post in Entikong in the presence of the West Kalimantan governor and local military officers.

Across the border, Malaysia's GBC chairman, Y.B. [His Honor] Datuk Sri Mohamed Najib bin Tun Haji Abdul Razak, who is Malaysia's defence minister, opened the Malaysian post in Tebedu, Sarawak.

They then opened the gate between the posts and signed an inscription before they inspected facilities at the checkpoints, the Armed Forces Information Service said.

HERALD TRIBUNE Resumes Distribution

BK0203131191 Hong Kong AFP in English 1138 GMT 2 Mar 91

[Text] Jakarta, March 2 (AFP)—The Indonesian distributor of the INTERNATIONAL HERALD TRIBUNE (IHT) resumed distribution of the daily Saturday after a three-month halt that followed publication of an article viewed here as insulting to President Suharto.

The March 1 issue, which reached customers here Saturday, carried a message from the publisher addressed to readers in Indonesia.

"The INTERNATIONAL HERALD TRIBUNE not only regrets what has happened but very much would like to restore and expand the spirit of goodwill and cooperation which has so long characterized relations between Indonesia and the INTERNATIONAL HERALD TRIBUNE," the message read.

The statement, the IHT said, was part of the daily's correspondence with Indonesian Information Minister Harmoko concerning the newspaper's distribution here.

Mr. Harmoko said on November 24 that the local distributor of the IHT, N.V. Indoprom Co. Ltd., had returned its license to sell the newspaper in Indonesia to the daily's office in Singapore. The move followed publication of an article by Bangkok-based NEW YORK TIMES correspondent Steven Erlanger about the president on the front page of the IHT November 12.

The article suggested that the real political issue in Indonesia was not whether Mr. Suharto would step down in 1993 at the end of his fifth consecutive five-year term, but how he would ensure protection for his children's growing businesses. Mr. Harmoko said after the article appeared that Mr. Erlanger had been put on the immigration black list.

IHT's Asia Pacific managing director Rolf Kranepuhl and circulation director for Southeast Asia Catherine Goh visited Indonesia in January to meet with Information Ministry officials.

Officials at the ministry here were not available for comment Saturday.

Laos

Preliminary Meeting for Party Congress Held

BK0503030891 Vientiane Domestic Service in Lao 1200 GMT 28 Feb 91

[Text] A meeting of party and administrative committees of Vientiane Province closed on 20 February after six days. The meeting was held under the chairmanship of Lieutenant General Siphon Phalikhan, member of the Lao People's Revolutionary Party [LPRP] Central Committee, secretary of the party committee, and chairman of the administrative committee of Vientiane Province. It was attended by members of the provincial party and administrative committees, secretaries of the party committees and chairmen of administrative committees from all nine districts, along with cadres of the provincial and district infrastructure construction units and cadres from various services attached to the provincial administration.

In the meeting, the participants reviewed and assessed achievements and lessons won or experienced in carrying out the first phase of infrastructure construction in six mountainous districts and the second phase in three other districts in the plains. The phases began in early January. They also discussed preparations and set dates for the convening of the party congresses of the three districts in the plains. Dates were also set for the meetings of cadres of the six mountainous districts. This is to prepare for another meeting of cadres from throughout the province to elect representatives to the Fifth LPRP Congress to be held soon.

In addition, the meeting participants unanimously endorsed the province's economic construction plan and a budget plan for 1991.

Party Cells Prepare for Fifth Party Congress

BK0503095691 Vientiane KPL in English 0909 GMT 5 Mar 91

[Text] Vientiane, March 5 (KPL)—Party cells in various areas of Nong District, Savannakhet Province, recently held their conventions to discuss and plan their immediate activities.

The convention in each area of the district focussed on ways of strengthening the party leading role and launched a political campaign in anticipation of the 36th founding anniversary of the Lao People's Revolutionary Party as well as its fifth congress due in the immediate future.

Oudom Khatthi-gna Speaks To Womens' Union

BK0203130391 Vientiane Domestic Service in Lao 1200 GMT 1 Mar 91

[Text] On the occasion of the convening of the 1991 annual plenary meeting of the Federation of Lao Women's Unions [FLWU] Central Committee, Oudom Khatthi-gna, alternate member of the Lao People's Revolutionary Party [LPRP] Central Committee Political Bureau and head of the LPRP Central Committee Organizational Board in charge of mass organization work, gave an address at the meeting.

In his address, Oudom Khatthi-gna pointed out the important role and responsibilities of the FLWU in acting as a political organization of the party in mobilizing multiethnic women to work under its organization. It is one of many organizations charged with protecting the rights and interests of women and children. It has also made numerous contributions to national defense and national construction work.

Oudom Khatthi-gna went on to discuss the traditional and hidden strength of Lao women, saying that such capabilities can be utilized in economic construction and goods production, the development of Lao women, and the consolidation of the cadre organization machinery as well as the contents of work and working pattern of the FLWU.

During the meeting, in addition to reviewing work executed over the past year, the FLWU also outlined the orientation for the 1991 program of action.

Party Delegation Arrives in Ho Chi Minh City

BK0503041091 Vientiane Domestic Service in Lao 1200 GMT 4 Mar 91

[Text] In response to an invitation from the Propaganda and Training Board of the Communist Party of Vietnam [CPV] Central Committee, a delegation of the Propaganda and Training Board of the Lao People's Revolutionary Party [LPRP] Central Committee led by Somlat Chanthamat, secretary of the LPRP Central Committee and head of the board, arrived in Ho Chi Minh City for a friendship visit.

The delegation was welcomed upon its arrival by Tran Trong Tan, member of the CPV Central Committee and head of the Propaganda and Training Board of the Party Central Committee; Vo Tran Chi, member of the Party Central Committee and secretary of the party committee of Ho Chi Minh city; and staff members of the Lao and Cambodian consulates in Ho Chi Minh, along with cadres at the central level of Vietnam and Ho Chi Minh City.

New Ambassador to Iran Presents Credentials

BK0403115991 Vientiane KPL in English 0905 GMT 4 Mar 91

[Text] Vientiane, March 4 (KPL)—Mr. Chanhpheng Sihaphom, ambassador of the Lao PDR [Lao People's Democratic Republic] to India on February 24 presented to President Ali Akbar Hashemi-Rafsanjani of Iran his credentials as Lao ambassador extraordinary and plenipotentiary to that country, according to the Lao embassy in New Delhi.

The Lao ambassador has his residence in New Delhi, India.

When welcoming Mr. Chanhpheng, the Iranian president expressed his pleasure with the friendly relations between Laos and Iran which is being developed a step further.

Philippines

Manila To Claim $2 Billion in War Damage Fees

HK0503063191 Manila THE MANILA CHRONICLE in English 5 Mar 91

[Text] The Philippines will claim war damage fees of $1 billion each from Kuwait and Iraq for losses the government and the Filipino overseas workers have suffered since the Aug. 2 invasion of Kuwait.

Foreign Undersecretary Manuel Yan, however, said the war-damage claims from the two countries would have to wait until after the Gulf war had been completely settled.

But even if the war reparations would take awhile, Yan had instructed foreign-service officials and had requested the Philippine Overseas Workers' Welfare Administration (Owwa) to speed up the documentation of the claims.

"Owwa will have to compute the claims of the workers," Yan said in an interview.

"The government had been losing $400 million monthly in remittances alone from (Kuwait-based) Filipino workers since August," Yan added.

Also feared lost in the Kuwait invasion was the $25-million deposit of Filipino workers in Kuwaiti banks and an undetermined amount of Philippine embassy money.

Yan expressed confidence that Baghdad would settle the Philippines' war claims. Baghdad had earlier promised to abide by the United Nations resolutions, one of which was the payment of war damages.

Yan also said atrocities, such as rape, might have been committed against Filipino workers in Kuwait. To document there, he said, the country will send a five-member diplomatic team there to reopen the embassy.

Yan told reporters the team would leave as soon as Manila received clearance from Kuwaiti authorities.

"Our first concern is to reopen the embassy and find out the state of our Filipino workers who opted to say there," he said.

The foreign office said about 1,000 of the estimated 40,000 Filipinos working in Kuwait stayed behind when the Gulf war broke out.

As the government counts its war losses and prepares to document war crimes, it will also seek the deployment of Filipino workers to help rebuild war-damaged areas in the Middle East.

Next week, Labor Secretary Ruben Torres will leave for Saudi Arabia, Kuwait and Iran to extend the Philippine government's help in their reconstruction.

The mission, designated by President Aquino last week, will confer with government officials and private employers on the deployment of Filipino workers to the Middle East.

Torres said the government expects to send 100,000 more workers to Kuwait, Saudi Arabia and Iran soon.

"The visit to the Middle East will give us the opportunity to convey our willingness to help in the rebuilding of Kuwait by supplying labor. We will go to Iran, which is also embarking on a reconstruction program after eight years of war with Iraq, on the strength of an invitation which asked for a supply of skilled Filipino workers. We will try to help Filipino contractors get contracts in the rehabilitation and reconstruction of areas affected by the war," he said.

Torres met with contractors and recruiters to discuss the Filipino workers future employment in the Middle East. He said a separate mission might be sent to the United States and Japan at the end of the month to negotiate with contractors who had signed construction contracts with Kuwait.

The labor secretary was optimistic Filipino workers would "have the edge" over other nationalities because of "their satisfactory performance."

The mission will also check on the condition of Filipino workers left in Kuwait during the war.

"We will try to determine where our workers are in Kuwait, what they need and what we can do to help them," Torres said.

Mrs. Aquino will host a luncheon today for Saudi Minister of State Mohammed Ibrahim, who arrived yesterday, to formally offer him the services of Filipino workers for the reconstruction.

Labor Secretary Remarks on Gulf Reconstruction

HK0503035991 Manila PHILIPPINES NEWSDAY in English 5 Mar 91 pp 1, 2

[By Jessica Domingo-Gross and Dionision Tubianosa]

[Text] Labor and Employment Secretary Ruben Torres expressed optimism that Filipino workers would get the more than 100,000 jobs available in the Middle East despite reports that foreign nationals, whose countries actively participated in liberating Kuwait, will get job placement priorities.

"The post-war reconstruction of Kuwait and some parts of Saudi Arabia will need thousands of workers. We have the edge because our workers are already known for their satisfactory performance," Torres told reporters.

He added that the 18-year track record of Filipino workers in the Gulf region, particularly in Kuwait, would still be a big difference in the race among labor-exporting countries for jobs.

For her part, President Aquino said:

"The Philippines has supported all resolutions of the United Nations on the Gulf crisis. It sent a medical mission to help the government of Saudi Arabia. And our 391,000 workers in Saudi Arabia alone did help by continuing to provide important services. It is our hope that due to their skills and merits, availability and reliability, Filipino workers will be considered and taken in the reconstruction efforts in the Gulf area."

The President is scheduled to meet today with Saudi Minister of State Mohammad Ibrahim 'Oud over lunch in Malacanang. She said she would ask hijm about job opportunities for Filipino workers.

American and European construction companies, which will lead in the reconstruction efforts in the war-damaged Gulf region, will be needing skilled workers from Asian countries like the Philippines, Thailand, and Pakistan.

Earlier, a report made by the Philippine Overseas Employment Administration Marketing branch showed that "those who have done the most fighting will get the lion's share of the rebuilding contract," meaning, American companies and contractors are expected to dominate in the rehabilitation program.

Torres announced that a high-level mission, which he will be heading, would probably leave on Sunday. It will depend on the availability of the people in Kuwait to whom Torres will make formally the Philippine government's offer to assist in their post- war reconstruction work.

Torres pointed out that business possibilities in Iran might peak this year as economic prospects will dramatically improve due to the increase in oil earnings and the early resolution of the Gulf crisis.

"The mission will also be an opportunity for me to check on the situation of Filipino workers who have voluntarily stayed in Kuwait during the Iraqi occupation," Torres said.

He said that he would also try to meet with major American and European construction contractors who will lead in the reconstruction proejcts of Kuwait.

He added that he was not precluding the possibility of even going to the headquarters of the American companies in the United States "just to make sure of our job placements."

Saudi Envoy Assures Aquino of Postwar Jobs

HK0503141691 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 March 91

[By Dick Synchongco of Mobile Unit No. 6]

[Text] The Saudi Arabian Government assured President Aquino that the Philippines will participate in the reconstruction and rehabilitation of the devastation brought about by the Middle East war. The assurance was conveyed to President Aquino by Muhammad Ibrahim Mas'ud, Saudi minister of state and special envoy of Saudi King Fahd.

The visiting Saudi official said that Filipinos will surely be given new job opportunities in the reconstruction to be undertaken. The Saudi Government also emphasized that they recognize the contribution of the Philippine medical mission which helped the multinational coalition forces.

In an interview with Malacanang newsmen, the Saudi minister of state explained:

[Begin Mas'ud recording in English] [Words indistinct] they are good, honorable, truthful, and I think the Filipinos are one of the best. [end recording]

Aside from this, the Saudi Government also assured the country of continued oil supply. The Arab country also thanked the Philippine Government for its support. Around 300,000 additional new jobs await overseas contract workers in connection with the reconstruction and rehabilitation of Kuwait and Saudi Arabia.

Japan's Kaifu Reaffirms ASEAN Coopertion

OW0503115791 Tokyo KYODO in English 1054 GMT 5 Mar 91

[Text] Manila, March 5 KYODO—Japanese Prime Minister Toshiki Kaifu on Monday assured Philippine President Corazon Aquino that Japan's policy of cooperation with members of the Association of Southeast Asian Nations (ASEAN) like the Philippines will remain unchanged by Japan's contribution to the reconstruction of the Persian Gulf region, Japanese Embassy officials said.

In a personal letter to Aquino delivered by visiting former Finance Minister Michio Watanabe, Kaifu also said he wished to visit the Philippines "at the earliest possible occasion."

Kaifu was scheduled to visit the Philippines last January but the start of war in the Persian Gulf prompted a postponement.

For his part, Watanabe, who is one of the powerful faction leaders within the ruling Liberal Democratic Party, asked Aquino for her opinion on how Japan should contribute to the stabilization of the situation in the Gulf, the officials said.

Aquino replied that it is up to Japan itself to decide how it will contribute to the reconstruction of the Gulf region, indicating that she will accept whatever decision it reaches.

Watanabe also urged Aquino to seek reelection in 1992, saying her achievements and good performance were the reason for him to express this wish.

However, Aquino reiterated that she is not interested in seeking reelection after her six-year term, the officials said.

During the meeting, Aquino thanked Japan for its 1.3 billion dollar contribution to the Multilateral Assistance Initiative (MAI) for the Philippines during the second MAI pledging session in Hong Kong, the officials added.

Tourism Department To Oversee Camp John Hay

HK0503062391 Manila MANILA BULLETIN in English 5 Mar 91 pp 1, 15

[Text] Executive Secretary Oscar Orbos yesterday designated the Department of Tourism (DOT) as the lead agency to oversee Camp John Hay Air base and its facilities in Baguio City which are due to be turned over to the government next month.

Malacanang sources said another round of the Philippine-American Cooperation Talks (PACT) may be held this month to discuss some unresolved issues and then formally close them with the signing of a new treaty between the Philippine and U.S. panels or their foreign ministers.

Orbos said the reversion of the Camp John Hay Air Base in Baguio City and its facilities is in line with the President's approval of the Legislative Executive Bases Council's (LEBC) plan to allow the government to gain sovereign control of the bases.

Under Memorandum Order No. 346, the DOT was given the following functions: To preserve, secure, maintain, and develop Camp John Hay Air Base and its facilities until another instrumentality of the government is designated to oversee them; conduct consultations and negotiate with the private sector on the lease or transfer of real or personal properties within the Camp John Hay Air Base and its facilities; and submit a period report of its activities.

Orobs authorized the DOT and its agencies to appropriate funds to carry out its functions and hire consultancy firms or consultants to implement these.

President Aquino meanwhile, commented on proposal of the House to hold a "non-binding" national consultation to determine the people's pulse on future RP [Republic of the Philippine]-U.S. relations.

She said, "The matter of our future relations with the United States is, and should be, the subject of discussions, consultations, and exchange of views among our people. The precise methods of such consultation, such as the proposal of Speaker Mitra, should be studied carefully."

The 38-member House foreign affairs committee, led by Rep. Jose de Venecia Jr. (LDP [Struggle of Philippine Democrats] Pangasinan), said the consultation will determine the people's sentiments on the issue of the bases.

De Venecia said the holding of a "nonbinding" consultation will avoid the raising of objections from the Senate on a formal referendum before a new bases treaty is ratified.

Mitra had earlier called for a referendum, saying the bases issue should not be left in the hands of the 23-member Senate.

Citing the Constitution, Sentate President Jovito Salonga said the Senate must first ratify the treaty before holding a referendum on the bases issue.

Orbos had earlier expressed willingness to hold a national referendum to hear the people's views on the agreements reached as a result of the PACT.

Discussion of U.S. Bases Proposals Continue

Aquino on Nonbinding Referendum

HK0503035691 Manila PHILIPPINES NEWSDAY in English 5 Mar 91 pp 1, 2

[By Jose H. Macaspac III and Dionision Tubianosa]

[Text] President Aquino yesterday virtually endorsed the proposal made by several congressmen led by Speaker Ramon Mitra Jr for a so-called "non-binding" referendum on the bases treaty before it is submitted to the Senate for ratification or rejection.

The President said, in a statement released to media, that "the matter of our future relations with the United States is, and should be, the subject of discussions, consultations and exchange of views among our people."

She added that "the precise methods of such consultation, such as the proposal of Speaker Mitra, should be studied carefully."

She stressed, however, that this process should not be confused with the Senate ratification procedure required of treaties under the Constitution.

But several senators yesterday continued to voice their opposition to the proposal for a "non-binding" referendum made by the House foreign affairs committee chaired by Rep Jose de Venecia (LDP [Struggle of Philippine Democrats], Pangasinan).

They said the proposal neither had a constitutional basis nor was it financially wise to go into such a costly enterprise at this time.

Several senators also reminded Speaker Mitra yesterday that he was a signatory to the 1984 Convenors' Group manifesto which, among other things, also rejected the prolonged presenced of U.S. military bases in the country.

The senators said they were puzzled over Mitra's claim that he had not taken a stand on the bases issue when as a member of the Convenor's Group, composed of all the opposition leaders during the Marcos regime, he had taken a definite stand against an extension of the bases agreement.

Mitra led a group of congressmen in urging their Senate colleagues to agree to a refrendum before a new bases treaty is submitted to the Senate for ratification.

The senators, however, remained equally persistent in blocking the move.

Senate President Jovito Salonga said there was no reason for the country to spend so much money on a referendum "which would not be binding anyway."

Salonga added that all of these proposals might be premature since it was still uncertain that the U.S. will agree to Foreign Affairs Secretary Raul Manglapus's demand that a specific level of compensation be included in the treaty.

He said if the U.S. does not accept the Manglapus demand when "there would not even be a new treaty to speak of."

Asked if Mitra had been using the bases issue to gain political mileage, Salonga said, I will confirm your hunch later."

For his part, Senator Rene Saguisag said the congressmen should have consulted their constituents about the bases controversy.

"That is their job. They should go to the people and consult them," Saguisag said, belittling their referendum proposal.

Saguisag believes that the congressmen do not have a legal basis for calling a bases referendum prior to ratification.

Senator Wigberto Tanada, leader of the Senate anti-bases bloc, said it had become more difficult for the congressmen to push for a referendum.

He said 14 senators have already voted to reject the new bases treaty being hammered out by Manglapus and his American counterparts.

Tanada said 12 of the 14 senators were "unalterably opposed" to the new treaty.

A vote of 16 Senate members is required to ratify the new bases agreement.

Meanwhile, President Aquino designated the Department of Tourism "as the lead agency in overseeing the Camp John Hay facilities after it is reverted to the Philippine government in April this year. [no end quotation marks published]

The President's directive, dated March 1, 1991 but released to media yesterday, was in line with the President's approval of the Legislative-Executive Bases Council's (LEBC) directional plan.

Manglapus Confident of Agreement

HK0503114691 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Mar 91

[Excerpts] Foreign Secretary Raul Manglapus failed to convince U.S. senators to pay $825 million as compensation for the retention of the U.S. military bases in the country. Although there has been no agreement on the compensation issue, Secretary Manglapus is still confident that there will be an agreement.

According to Secretary Manglapus, who is still in Washington:

[Begin Manglapus recording in English] I think that, with the explanations that we have been giving the members of Congress, we can be optimistic that the package that we have presented in response to the original offer made by the American panel would be found attractive. [end recording] [passage omitted]

Meanwhile, should the U.S. Government really refuse to pay $825 million bases compensation, the Philippines cannot do anything but implement the removal of the U.S. military bases on 16 September 1991.

[Begin Manglapus recording in English] It would be unfortunate, [words indistinct] conclude a treaty because that would mean that by the time this current agreement expires this coming September, there would be no basis for a continuation of the United States' forces in the Philippines; and that we will have to put into effect the provisions of the current agreement regarding the withdrawal of the United States' bases. [end recording]

Nationwide 'Consultation' Urged

HK0403054091 Manila PHILIPPINE DAILY INQUIRER in English 4 Mar 91 p 7

[By Jerry Esplanada]

[Text] The 38-member House of Representatives' committee on foreign affairs yesterday proposed the immediate holding of a nationwide "consultation," not referendum, on the U.S. bases issue.

Rep. Jose de Venecia (LDP [Struggle of Philippine Democrats], Pangasinan), acting committee chairman, said they are set to meet with their counterparts in the Senate, led by Sen. Leticia Ramos- Shahani, on "possible ways to replace the formal referendum approach."

"We're amenable to possible Senate amendments on the House- approved referendum bill," de Venecia told the INQUIRER.

The 201-member chamber approved two years ago House Bill 15113 endorsing the holding of a national consultation within 60 days from the signing of a new bases pact.

De Venecia said the House will push for a "non-binding national consultation approach on the bases issue."

Last week, Speaker Ramon V. Mitra suggested the immediate holding of a referendum, stressing that a national consultation "should show the public's true thinking on the bases,' instead of leaving the issue up to the 23 senators to decide.

Mitra on Sunday disclosed that he had written Salonga asking the Senate to open discussions on the House measure calling for a "national consultation" on the bases issue.

Reacting to Mitra's proposal, Senate President Jovito Salonga and two other senators rejected Mitra's move and said it was "premature" for the Speaker to start talking about a treaty.

Senators Rene Saguisag and Wigberto Tanada, two staunch anti- bases advocates in the Senate, said Mitra's call for a referendum was unconstitutional. Six other senators have already registered their opposition to any extension of the bases' lease which expires Sept. 16 this year.

The militant Kilusang Mayo Uno [1 May Movement] also opposed Mitra's proposal, calling a referendum "a U.S. grand design to frustrate the anti-bases sentiment of the people."

The 1987 Constitution provides that a new bases treaty must be approved by a two-thirds vote from the Senate.

According to De Venecia, "The process of consultation could avoid Senate Objection to a formal referendum which the Constitution prescribes as necessary if Congress so decides."

Congress Asked for Support

HK0403105591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 4 Mar 91

[Italicized passages in English]

[Text] Senator Orlando Mercado encouraged today the members of Congress who are in favor of the U.S. military bases retention to join the Senate's position and strengthen the bargaining power of the Philippines. Mercado stated in an interview with Deo Macalma that the government will find it difficult to obtain substantial benefits if Congress shows it is in favor of the retention of the military bases. He also added that the Philippine negotiators should stand firm to obtain the incentives being offered by the United States to Egypt and Israel. Here is a portion of Senator Mercado's explanation:

[Begin Mercado recording in progress] ...because Egypt was able to get an $8- million write-off from their debt, and Israel, during the time they were being kept from joining the Gulf war, was able to get concessions. *We should be, we should play hard ball.* And our public debt is not as big as that of Egypt, it's only 1 billion. *But I'm sure we can find creative ways* to strengthen our bargaining position. Let us not soften our own position by siding with them. When it comes to this contradiction, we must be firm so that we can get concessions. [end recording]

Columnist Remarks on 'Betrayal'

HK0203072891 Manila PHILIPPINES NEWSDAY in English 21 Feb 91 p 10

[From "This Business of Being" column by Noel C. Cabrera: "Betrayal of People's Interests"]

[Text] After all the sound and fury of several rounds of bases talks between two supposedly independent and equal nations, the stage is set for a repeat of previous conclusions to parleys between the Philippines and the United States where the latter got all it wanted, and on its own terms.

The more cynical and perceptive of critics and observers of the current negotiations for a new security pact to replace the expiring Military Bases Agreement had of course long foreseen this. Though few in number and short in influence, they had sought to warn the public of the essentially deceptive nature of the much heralded bases talks if only to keep expectations at a realistic level and cushion the affront from such insulting manipulation.

They aptly labelled the current bases talks moro-moro, [stage play depicting the struggles between Moors and Christians] a farce that has forced the Philippine government panel to go through the motions of feigning sovereignty, dignity, and toughness while buckling under every American pressure and conceding to every American demand.

A new bases treaty or comprehensive security arrangement is upon the country to replace the lopsided bases pact which expires September of this year. No less than President Aquino has bared this with her announcement that her government was willing to extend the stay of the American military installations in the country for another seven-year phaseout period, for the proper price.

The talks have in fact ended and there will be no further round of negotiations after the fifth round was concluded last week. From here on, the final form of the new agreement will be hammered out through the so-called usual diplomatic lines of communication, with Philippine chief negotiator Raul Manglapus probably (?heading) off to Washington to finalize the details of this latest betrayal of national interest and humiliation of the Filipinos.

And this despite the fact that the issues of duration of extension and compensation have yet to be settled between the two sides.

"The installation portion is still being discussed at the technical level and compensation is still not agreed upon, but the situation is such that we can look forward to finalizing the agreement soon. There will be no more round of talks as of now...things can be conducted by the normal lines of communication," Manglapus has the cheek to announce. He adds that Mrs. Aquino is "quite pleased with the situation."

Yet even as Mrs Aquino unabashedly reports to the nation that the bases talks would soon result in a new pact to be forged in the U.S. American panel spokesman Stanley Schrager consistently affirms that the U.S. positions on the still disputed issues cannot be otherwise.

He states, for instance, that there is no way the U.S. can skirt the set budgetting and appropriation procedures of Congress thus making it impossible for the U.S. to junk its "best efforts" pledge in the release of the agreed upon bases compensation. In short, the Philippines will continue to be at the mercy of Capitol Hill in collecting, without having to beg or be subject to political blackmail and pressure, its rightful rental payments for the use of Philippine soil.

As to the amount of compensation, it has been made clear time and again by the American panel and other U.S. officials that Washington cannot respond positively to the Philippine demand for higher rentals allegedly owing to the Americans own financial woes and domestic considerations.

Regarding the continued American presence in the country, Schrager says the U.S. will insist on a 10-12 year extension which it describes as a phasedown and not a phaseout as the Philippines wants it. A phaseout period would mean no U.S. presence after the period while a phasedown would still keep the door ajar even after the extension.

How the Aqino government will explain a new treaty that would most probably reflect all the demands and terms desired by the U.S. seems to be less a problem to our officials than promptly inking a new pact and cashing in on the puny compensation the U.S. is willing to throw our way. As Mrs Aquino herself intimated, there is need for an immediate and sizeable capital infusion and guaranteed annual cash flow.

Philippine interests and national dignity have again been sold down the river. So what else is new?

USSR Seeks Joint Aviation Project With Firms

HK0503035791 Manila BUSINESS WORLD in English 5 Mar 91 p 2

[By Andrew D. Magaambol]

[Text] The Ministry of Aviation Industry (MAI) of the Union of Soviet Socialist Republics (USSR) seeks to establish possible joint venture projects or lease contracts with Filipino companies both in the public and private sector, Soviet officials yesterday said in an interview with BUSINESS WORLD.

Pavel Bulavsky, USSR trade representative, said aviation is one of the sectors being eyed by the socialist state to expand economic cooperation between the USSR and the Philippines, and with other countries of the Asia-Pacific region.

"The idea is not only to seel aircraft here but to find partners here who would be willing to set up joint ventures. We are ready to negotiate with the government and the private sector," said the trade representative. There are no existing tie-ups in aviation at the moment as this is the first time this area is being tapped, he indicated.

A delegation from the USSR arrived in Manila last week, bringing with them military and civilian aircraft which will be exhibited next week at an international aviation show set at the Villamor Air Base. The six-man contingent includes Alexander Voinov, director of the socialist exposition, and Anatoly Kliagin, senior expert of the MAI's Department of Foreign Economic Relations.

"The aim primarily is to showcase the technology of the Soviet aircraft. Second consideration of course are the commercial transactions—the sale or the rent of aircraft, helicopters and crew members even. We are interested in exploting the market here and forging tie-ups to share technical assistance and develop new types of aircraft that would cater to the needs of the local market," Mr. Voinov said.

In the Asian region, joint cooperations in the field of aviation has been established by MAI with Singapore companies. USSR is also serving the aircraft needs of the People's Republic of China, the exposition director said.

PAL Allowed To Overfly Russia Until 31 Mar

HK0403065191 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 3 Mar 91

[Text] The Philippine Airlines [PAL] Company has been temporarily allowed to fly over Russian territory until 31 March. Civil Aeronautics Board acting executive director Silvestre Pascual said that permission has been granted since the start of January following negotiations between the aviation authorities of the USSR and the Philippines.

Korean Import Relaxation To Benefit Exporters

HK0403054291 Manila BUSINESS WORLD in English 4 Mar 91 p 2

[Text] The importation of several products which may be of interest to the Philippines were liberalized by South Korea beginning this year. These include fruits, seafood and other marine products.

South Korea embarked on an import liberalization program in 1989 to ease trade frictions with the United States, a major trading partner, as well as reduce inflationary pressures on its economy.

Last year, it lifted import restrictions on such products as duck cuts, fresh or chilled trout, frozen yellowfin, big eye and other kinds of tuna, frozen lobster, dried crabs, frozen oyster, mussels (salted or in brine), fresh or chilled sea urchins, magnetic tapes, gold, silver and platium jewelry, synthetic and reconstructed diamonds and scupltures.

In 1991, South Korea raised the import liberalization ratio for all products to 97.3%. For agricultural commodities, the ratio was increased to 86.5%.

Food Items

Based on a list furnished by the Philippine trade office in Seoul to the Bureau of Export Trade Promotion (BETP), some 90 products, mostly food items, were liberalized effective January this year.

Of the total, at least 11 products were identified by the BETP to be of interest to Philippine exporters. These are fresh or chilled fish fillets and other fish meat, fish meal fit for human consumption, fresh or chilled crabs, smoked and other preparations of shrimps and prawns, pineapples in airtight containers, pineapple juice, tomato juice, strawberry juice, and mixture of other juices.

The list also included sausages, tapioca, sparkling wine, vermouth, cognac, and scotch, bourbon, rye and other whiskies.

Export of food and food preparations as of the first semester last year amounted to $11.8 million.

Leading food exports to South Korea during the period were centrifugal sugar ($4.9 million), vegetables and fruits ($3.2 million), pineapples in syrup ($1.5 million), copra meal/cake ($777,750), and fish, crustaceans and mollusks, including their preparations ($697,832).

However, despite the lifting of quantitative restrictions, food exporters are still having difficulty penetrating the South Korean market because of the imposition of other requirements on trade.

According to the trade office in Seoul, a number of shipments were denied entry into South Korea because these may have failed to meet health, quarantine and other import requirements.

President Aquino To Decide on Cabinet Posts

HK0503062591 Manila MANILA BULLETIN in English 5 Mar 19 pp 1, 19

[By F.M. Lobo]

[Text] President Aquino said yesterday that she will decide which posts Cabinet officials may retain, in line with the Supreme Court [SC] ruling banning government officials from holding multiple positions.

The President said that affected government officials will not be given the choice of where to stay or which post to give up. She said she will decide on the matter as the needs of public service require.

Mrs. Aquino made her position clear as she brushed aside a "misconception" on the resignations of presidential assistants and other officials and allegations that government nominees in big sequestered companies are getting very high compensation.

"The Officials merely expressed their willingness to relinquish their positions, for me to decide in the exigencies of public service," she said.

"These officials are not being given the choice of where to stay or which position to give up. The choice is up to me and I make them as the needs of public service require," the President stressed.

Mrs. Aquino also denied allegations that nominees of the Presidential Commission on Good Government (PCGG) to the San Miguel Corp. and the United Coconut Planters Bank (UCPB) make millions of pesos.

"All PCGG nominees at San Miguel Corp. and UCPB are limited to P [peso] 120,000 a year; the rest of their fees, bonuses, or other renumeration go directly to PCGG for the government," she explained.

The High Tribunal nullified recently Executive Order No. 284, The ruling, in effect, prohibited Cabinet officials from holding at the same time board seats in government firms and receive additional compensation therefrom.

As an offshoot of the SC ruling, presidential spokesman Adolfo Azcuna and presidential adviser on financial affairs Vicente Jayme resigned their Cabinet posts but retained their seats as directors in other firms or institutions.

Finance Undersecretaries Ruben Fruto and Tomas Apacible have also offered to resign while several other officials are expected to do the same in compliance with the SC ruling.

The President has accepted the resignation of Azcuna and Jayme from their Cabinet posts. But Azcuna will retain his board seats in the Development Bank of the Philippines (DBP) and San Miguel Corp. while Jayme will retain his post as alternate director of the Asian Development Bank (DBP).

Press Secretary Tomas Gomez III was named by Mrs Aquino as acting Presidential spokesman.

The President had said earlier that Executive Secretary Oscar Orbos was compiling the offers of resignation of other affected Cabinet and Palace officials and their replacements, if necessary, will be announced within 30 days.

Logistics Command Undergoes Major Revamp

HK0403070791 Manila MANILA BULLETIN in English 4 Mar 91 p 21

[Text] At least 60 officers and 300 enlisted men have been relieved from their posts in a major revamp undertaken by the Logistics Command (Logcom) of the Armed Forces of the Philippines (AFP) recently.

Brig. Gen. Manuel Mariano, Logcom chief, said the move was one of the biggest reshuffles of officers and men in recent years to minimize, if not eliminate, graft and corruption in the AFP.

The Logcom is a major AFP unit which handles the military's supplies and resources.

Mariano, who took over renegade Commodore Domingo Calajate after the December, 1989 coup attempt, said he had also ordered all AFP warehouses padlocked so that all supplies being withdrawn from these are carefully monitored and recorded.

"This is part of the reforms we are instituting in answer to various anomalies and irregularities being hurled at the command before the coup try," he said.

He said the Logcom is undertaking a crash program in human resource development, organizational restructuring, and physical development to promote honesty, hardwork, and professionalism among its men.

He said after the last coup attempt, the Logcom has produced 239 military graduates in 14 technical courses, like refrigeration and air conditioner repair, electrical welding, and carpentry, to minimize the expenses in the maintenance of equipment and facilities of the AFP.

He added that to further professionalize the officers' corps, the Logcom has conducted a seminar workshop on organization management and staff procedures and has enhanced the development of good attitude toward work.

Mariano said the Logcom has been reviewing its operations, expenses, and personnel to make it more effective and efficient.

"After the series of attitude-formation, reformation, and reorganization, we will be better equipped to serve the major service commands of the AFP," he said.

Editorial Lauds Revamp

HK0503035891 Quezon City MALAYA in English 5 Mar 91 p 4

[Editorial: "Off to a Good Start"]

[Text] The new leadership at the Logistics Command [Logcom] of the Armed Forces is off to a good start in relieving 60 officers and 300 enlisted men who had stayed too long with the unit. Most of these Logcom personnel stuck like leeches to their position, contrary to the military's policy on rotation, because of the wide-open opportunity to make money as supply officers. It is not for nothing that the Logcom has earned the distinction of being the most graft-ridden unit in the Armed Forces.

Graft starts at procurement. From airplanes to tanks to combat rations, Logcom officials are said to be quite diligent in exacting their 10 per cent from suppliers. The bidding procedure is a joke, and the supply contracts are awarded to whoever offers the biggest commission. Insiders at the Logcom say only the purchases covered by the U.S. Foreign Military Sales Credit can reasonably be expected to be above board, and they are not even 100 per cent sure no money changes hands when people charged with evaluating the choice between competing hardware are wined and dined by agents of U.S. suppliers.

The purchasing side is said to e the domain of high-ranking offiers. The understanding is that the younger officers, the non- commissioned officers and the enlisted men can do their thing in the delivery, warehousing and distribution of supplies. Substandard and shot deliveries are accepted for a fee. Supplies in the warehouses have a way of vanishing into thin air. When supplies are delivered to field units, there is invariably a discrepancy between the physical count and what is shown on paper.

So everybody ends up happy, with the exception of soldiers in the field who have to wear boots with cardboard soles and eat rotten food rations and the poor taxpayers who have to pay for the shoddy goods.

Brig. Gen. Manuel Mariano, the new logistics chief, evidently recognizes the deep-rooted corruption in his command. Thus, his decision to relieve practically all the personnel in his command. He, however, has to prove his clean-up is no flash-in-the-pan drive. The thievery in his command has been so institutionalized it would not be surprising if the syndicates keep low for a while only to bounce back when the heat is over.

Which brings us to the story of one of the more honest officers ever to lead Logcom. Personally chosen by Gen. Renato S. De Villa, the officer throw out all the 10 per centers buzzing all around his office and tightened up inventory control at the warehouses. Despite all his good intentions, that Logcom chief's efforts to root out graft and corruption were in vain.

The officer's name? Commodore Domingo Calajate, the 1989 coup leader in Camp Aguinaldo. He's now on the run with the price on his head just recently doubled to P [peso] 1 million.

There must be a lesson from Calajate's tale. We leave it for the military leadership to ponder. Some sections in the military are quick to blame corruption in the civilian side of the government for the series of coups d'etat launched by rebel soldiers. Perhaps it's time they took a look at the mirror before they started condemning the more in the other man's eye.

Air Force Implements Cost-Cutting Measures

HK0503061991 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 91 p 7

[Text] Contractual employes of the Philippine Air Force [PAF] were asked to go on forced leave as a cost cutting measure starting in April, PAF spokesman Col. Abelino Abiol said yesterday.

To be affected are 1,406 casual employes assigned to clerical jobs. They comprise ten percent of the PAF work force.

Abiol said the budget alloted by the government to the PAF this year was P [peso] 100 million less than last year's P2.2 billion. The bulk of the amount goes to operations.

The increase in the price of aviation fuel also depleted the budget for operations.

PAF aircraft will fly only for air defense purposes and insupport of the ground forces against insurgents. Last year, Abiol said government agencies and politicians requested PAF aircraft for non- defense sorties. Abiol said that they are suspending these requests this year.

Barangays' Help Sought To Arrest Rebel Soldiers

HK0403070591 Manila MANILA BULLETIN in English 4 Mar 91 pp 1, 21

[By Wilma Yamzon]

[Text] Defense Secretary Fidel Ramos urged barangay officials yesterday to help hasten the arrest of rightist rebel leaders by giving information to the military.

He said renegade colonel Gregorio "Gringo" Honasan, former commodore Domingo Calajate, and other wanted members of the Reform the Armed Forces Movement (RAM) "are just around the corner."

The defense chief said his office received information that Honasan is in Metro Manila, while Calajate is in Bicol.

Ramos, who spoke at the first Bicol regional congress of the League of Barangay Councilmen of the Philippines in Naga City, said barangay officials are the ones who can effectively take part in the government drive to get rebel, outlaws, and communist insurgents immediately.

He told local officials that information easily reaches their offices because their constituents tip them off about the presence of suspicious persons in their communities.

He said barangay leaders are entitled to cash rewards for information leading to the arrest of wanted persons.

Ramos said the Department of National Defense (DND) had increased from P [peso] 500,000 to P1 million reward for the capture of Calajate, while Honasan carries the biggest P5-million price tag on his head.

He told barangay leaders to include in their daily activities alert scheme for the whereabouts of rebel leaders.

He explained that the National Reconciliation and Development Program of the government is not "to fight them (rebels) or hurt them," but to make them return to the fold of the law and become responsible citizens of the country.

Ramos also cited the other duties of local officials, saying they should help reduce illegal fishing and logging, cockfighting, and other forms of gambling and undertake emergency measures in times of calamity.

"The task of barangay officials are enormous, but if we unite our efforts and employ effective teamwork, we can lighten our workload and reach our goals," he said.

He said the military and the police, helped by the people, considerably reduced the strength of the Communist Party of the Philippines-New People's Army [CPP-NPA] from 3,200 in 1988 to 2,500 last year.

The number of NPA guns and ammunition also decreased from 2,700 to 1,800, while barangays cleared from CPP influence were 1,100, he said.

Police, Rebels Killed in Encounters

HK0503151391 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Mar 91

[By Andy Verde from Central Luzon]

[Text] Three people were killed, including a policeman of the Philippine National Police [PNP], and one was wounded in a one- hour fierce encounter between the Nueva Ecija PNP and 20 heavily armed rebels of the Communist Party of the Philippines-New People's Army [CPP- NPA] in Sitio Bagnoy, San Juan, Aliaga, Nueva Ecija at 1800 last night. Staff Sergeant Joel Lacson, 36 years old, of Camp Olivas, Pampanga, was killed, while Technical Sergeant Mar[illegible]o Abrina, a member of the Nueva Ecija PNP, was wounded. The two slain rebels have not yet been identified. Lacson sustained several gunshot wounds to his body, killing him on the spot. Abrina was shot in the back and shoulder and is presently being treated at the Good Samaritan Hospital in Canatuan.

According to Abrina's statement, his team, headed by Captain Igmidio Cruz, the Nueva Ecija PNP intelligence officer, along with Regional Special Action Force men and Aliaga policemen, proceeded to Sitio Bagnoy after receiving a report that a group of top CPP-NPA officials were holding a meeting in the area. When the police arrived at the place, they were met by gunfire from the rebels. A gunfight ensued.

A female NPA member led more than 20 NPA members armed with M-16 armalite rifles and M-203. Abrina said it was a head-on fierce fight. PNP Director Edgar Aglipay headed the reinforcement and pursuit operation against the rebels who withdrew toward Guimba, Nueva Ecija.

In related news, six people have been killed, seven seriously wounded and eight others were captured in separate insurgency- related incidents around the country.

According to Armed Forces Chief of Staff Lieutenant General Rodolfo Biazon, two Philippine Army soldiers, three New People's Army rebels, and four civilians were killed. The violent incidents occurred in Negros Occidental, Samar, Davao del Norte, Eastern Samar, Zamboanga del Sur, Bulacan, Camarines Sur, Surigao del Norte, and Camarines Norte. Biazon said the rebels kidnapped 10 people in Zamboanga City and Samar. The first kidnapping incident occurred in Zamboanga City when the rebels intercepted trucks carrying timber. They kidnapped one and captured some employees of the Western Basilan Timber Company. The rebels are asking for 20,000 pesos in exchange for the release of the prisoners.

In Samar, about 300 NPA rebels attacked the Pacific Timber and Development Corporation in the town of Mabarut. They carted away the company's dynamite stocks and captured two soldiers guarding the place.

Military Called 'Major Violators' of Human Rights

HK0403054491 Quezon City MALAYA in English 4 Mar 91 p 2

[Text] Thousands of persons were arrested and detained last year for exercising their right to stage public protest actions, while cases of torture, salvaging, massacres, frustrated murder, harassments and involuntary disappearances totalled 731, the Philippine Alliance of Human Rights Advocates [PAHRA] reported recently.

In its January to March 1991 report to the United Nations Commission on Human Rights, PAHRA said the military and para- military groups were the major violators of human rights. It also blamed the steady rate of HRV cases on the Aquino government's "total war" policy against communist insurgents.

The report said many of the victims were members of legitimate people's organizations, non-governmental organizations, and human rights groups.

The alliance documented 503 cases of politically-motivated arrests and detention involving 2,607 persons. Of this number, 2,281 were participants of mass rallies against the US military bases and those demanding higher wages.

At least 224, including children, remained in detention.

For the first ten months of 1990, a total of 57 person disappeared, the report said. Their disappearances are believed to be politically motivated since almost all were last seen by witnesses in the hands of the military or para-military groups.

$183 Million Balance of Payments Deficit in 1990

HK0403071191 Manila THE MANILA CHRONICLE in English 4 Mar 91 p 6

[Text] The country registered a balance of payments (BOP) deficit of $183 million in 1990, the first time the it posted a negative payments position under the five-year old Aquino administration.

In 1989, the country recorded a payments surplus of $451 million.

The highest ever payments surplus recorded under the Aquino government was at $1.242 billion in 1986.

The Central Bank [CB] noted that the BOP deficit position could be attributed to the huge foreign exchange outflow to cover imports, particularly of crude oil.

Last year, crude oil imports reached $1.8 billion or more than the $1.6 billion oil bill in 1989.

Crude oil prices in the world market jumped to a high $40-$45 a barrel from $12-$14 at the start of 1990 following the crisis in the Persian Gulf.

Cuisia however maintained that the $183 million preliminary BOP deficit position as of end-1990 was lower than the earlier projection of a $360 million deficit. This was due to the last minute-disbursements last year of official loans amounting to about $400 million, mostly from the Japanese government.

Data from the CB showed that last year, the big importations totalling $12.159 billion continued to overran export receipts of $8.15 billion, resulting in a trade deficit of $4.1 billion. The trade imbalance last year was 54.3% higher than the 1989 trade deficit of 42.598 billion and a staggering 1,884% over the 1986 deficit of $202 million.

It was only in the foreign trade picture that the country posted a negative position.

Net foreign investments, CB data showed, stood at $469 million although this represented a decline from the $854 million investment inflow in 1989.

Net medium-and long-term loans stood at $423 million as the country received more from creditors than what it paid out.

Economic Planning Secretary on Reform Needs

HK0503062791 Manila THE MANILA CHRONICLE in English 5 Mar 91 p 6

[Text] Economic Planning Secretary Cayetano Paderanga Jr. said the government will be moving decisively to ensure that the Philippines reaps maximum benefits from recent developments that have considerably boosted the country's economic growth prospects.

The successful Philippine Aid Plan (PAP) pledging session in Hong Kong, the end of the Gulf war and the elimination of the rightist threat to political stability could help push economic growth this year beyond the 1.5%-2.5% forecast earlier, Paderanga said.

These developments, he said, translate into assured inflows of needed resources, lower and more stable oil prices, more jobs and economic opportunities in the Middle East, and greater investor confidence.

The economic planning official stressed, however, that in order to maximize the benefits from these favorable developments, these will have to be matched by necessary reforms in the fiscal, monetary, trade, and investment regimes.

In particular, Paderanga said, the government is set to implement measures and reforms intended to enhance the competitiveness of the export sector. He noted that exports, together with personal consumption expenditures, will be fueling economic growth this year.

Paderanga, who is also director general of the National Economic and Development Authority (Neda), said that aside from the maintenance of a competitive exchange rate, there will also be trade and tariff reforms, although entailing a period of adjustment for some sec tors, are necessary to strengthen the export industries.

These reforms, he explained, will be complemented by a comprehensive export promotion program drawn up by the Department of Trade and Industry (DTI) and the Neda and other agencies. The export program will be taken up in the next meeting of the Neda Board, which is headed by President Aquino, he said.

Aquino: Ban on Imelda Marcos' Return Continues

HK0203081491 Manila DWIZ Radio News 882 in Tagalog 0750 GMT 2 Mar 91

[Text] President Corazon Aquino announced that the ban on Imelda Marcos to return to the country remains in force. This was announced despite a statement by Armed Forces Chief of Staff Lieutenant General Rodolfo Biazon which said the Marcoses are no longer a major threat to the country's security. According to the president, Mrs. Marcos is still capable of instigating destabilization activities in the Philippines.

Thailand

New Prime Minister Appoints Deputy Premiers

BK0503022191 Bangkok THE NATION in English 5 Mar 91 p A1

[From "The Political Desk"]

[Text] Newly-appointed Premier Anan Panyarachun yesterday named three deputy premiers of widely-different experience to be the "pillars" of his caretaker Cabinet—Dr Sano Unakun, the country's former chief economic planner, former police [Pol] chief Pol Gen Phao Sarasin; and Michai Ruchuphan, once a legal aide to former premier Gen Prem Tinsulanon.

Informed sources also told THE NATION that Asa Sarasin, former permanent secretary of the Foreign Ministry and president of Padaeng Industry Co, had been picked as foreign minister while the other candidate for the post, Foreign Office Permanent Secretary M.R. Kasemsamoson Kasemsi, was asked yesterday evening to become minister attached to the PM's [prime minister's] Office.

The decision to appoint M.R. Kasemsamoson, who is scheduled to retire this October, was made yesterday to avoid a "seniority problem" arising from Asa's appointment to the foreign office, said the sources.

The Cabinet line-up took clearer shape yesterday but it is still not finalized. If the list is finalized today, Anan will immediately present it to His Majesty the King for formal appointments.

Anan also agreed to a proposal by the National Peacekeeping Council to nominate military officers to the portfolios at the Defence, Interior and Communications ministries, the sources said.

Deputy Army Chief Gen Itsaraphong Nunphakdi is expected to take over as interior minister while the nominations to the other two ministries are still under discussion.

Earlier, Air Force Commander-in-Chief ACM [Air Chief Marshal] Kaset Rotchananin was tipped to become communications minister, to be aided by Assistant Air Force Commander-in-Chief ACM Suthep Thephrak and Army Chief-of-Staff Gen Wirot Saengsanit as deputy ministers, while Navy chief Adm Praphat Kritsanachan was nominated to the top defence post.

But growing criticism against the military takeover of key Cabinet posts, particularly at the Communications Ministry, made the nominations uncertain.

Both ACM Suthep and Gen Wirot were also mentioned as possibilities for the top communications post as well as Kaset, whom it is rumoured may withdraw because of the criticism about military control.

For the defence portfolio, another candidate emerging was former armed forces chief of staff Gen Banchop Bunnak. Advocates of the nomination contended that the presence of commanders-in-chief in the caretaker Cabinet would look bad for the image of the National Peacekeeping Council (NPKC), which seized power from Gen Chatchai Chunhawan in a bloodless coup on Feb 23.

For that reason, Banchop as a retired officer would be a better choice than Praphat, they said.

The argument, coupled with growing opposition to a military officer taking over the Communications Ministry, apparently prompted ACM Kaset to have second thoughts about his nomination. But advocates of Praphat counter-argued that the navy chief was about to retire this October.

All however apparently agreed that the Interior Ministry should come under Gen Itsaraphong to ensure "fairness" in the next general election. The ministry is in charge of organizing elections.

For economic-related portfolios, former commerce minister Amaret Sila-on has confirmed his willingness to take over as commerce minister while the Finance Ministry is expected to come under Suthi Singsane, former finance minister under ex-premier Gen Prem, and Dr Wiraphong Ramangkun, as Suthi's deputy. Wiraphong served as Prem's economic adviser and stayed briefly in the Chatchai I Cabinet as finance minister.

Anat Aphaphirom, governor of the Petroleum Authority of Thailand, is also strongly tipped to return to the Agriculture Ministry, where he served as minister under Gen Prem.

The Public Health Ministry is expected to come under Atthasit Wetchachiwa while Dr Kasem Suwannakun is likely to stage a comeback to the University Affairs Bureau where he served as minister in a Prem Cabinet.

Academics, Economists Laud New Prime Minister

BK0303023591 Bangkok THE NATION in English 3 Mar 91 p A3

[Text] Anan Panyarachun's appointment as prime minister was welcomed yesterday by some academies and business executives who believe his experiences in diplomacy and business will gain him confidence from Thai people and foreign countries.

Dr Maruai Phadungsit, president of the Stock Exchange of Thailand, said he believed Anan is a person with independent thinking and will be able to work effectively as the head of an interim government.

He said Anan's choice will help boost confidence among stock investors.

Bunchana Atthakon, chairman of the advisory board of the National Peace-keeping Council, said Anan is very well-informed and intelligent person. "He has had experience in both diplomacy and business that will help him work comfortably with all sides," said Bunchana.

Bunchana suggested that the military junta would give the interim government considerable freedom in deciding on economic policies.

Dr Kroekkiat Phiphatseritham, rector of Thammasat University, said the junta had chosen a suitable person for the premiership.

"Khun Anan will help a lot in Thailand's foreign trade and getting in foreign investments," he said.

While welcoming Anan's appointment, some businessmen and academics who wished not to be identified said the provisional government needs to lay down long-term economic policies which can be pursued by the next government.

"It's not enough only trying to give itself a good image," one of them said about the junta which many believe will be wielding a lot of influence behind the provisional government.

Banyat Banthatthan, deputy leader of the Democrat Party, said Anan may not be able to accomplish much because he is only an interim prime minister.

"But we have to wait and see what the provisional government will look like," he said.

Anan said last night a provisional government will be formed in three to four days and will comprise people with backgrounds and qualifications acceptable to the public.

Watthana Iambamrung, a state enterprise labour leader, last night urged the new premier to pay attention to problems of workers.

THE NATION on Powers for New Prime Minister

BK0403022191 Bangkok THE NATION in English 4 Mar 91 p A8

[Editorial: "PM [Prime Minister] Must Have Free Hand"]

[Text] It came as a rare piece of good news in the week since the military toppled the Chatchai Government in a bloodless coup that put an abrupt end to Thailand's longest but fragile experiment with democracy since 1976. The choice of diplomat-turned-executive Anan Panyarachun as the 18th prime minister immediately struck a positive chord among intellectuals and businessmen who believe he will make a good leader for a country in transition, considering his background and experience in both the diplomatic and business fields.

The National Peacekeeping Council, as the milittary junta that seized power last Saturday calls itself, could not have chosen a better person to lend credence to its claim that it intends to grant a considerable degree of independence to a provisional government that is expected to be formed in a matter of days. Many people so far have found it difficult to believe that the junta led by Supreme Commander Gen Sunthon Khongsomphong staged the coup only to hand power on a golden platter over to someone else.

However, the appointment of Anan as the caretaker prime minister represents the first concrete assurance by the junta so far about its intention to install a credible administration whose most important task will be to organize a general election within 14 months. An ex-diplomat with a high-flying record that culminated in his being ambassador to Washington and foreign affairs permanent secretary, Anan is known as a prominent business executive with a wide knowledge of international affairs. His confrontation with the military in the aftermath of the October 1976 coup suggests that he is unlikely to be just a pawn for the armed forces.

Anan himself stressed his independent line of thinking in an interview with the press right after receiving the royal command appointing him prime minister. That he openly admitted that he did not totally agree with everything the junta did and certain clauses in the provisional constitution was reflective of what he has in mind. Anan, however, was realistic enough to accept that running a government under the shadow of the powerful military junta requires certain compromises in principles.

Now that we have a prime minister, all eyes will be on what his government will look like. There have been fears that the military will try to stuff the provisional government with people it trusts, thus limiting the ability of the prime minister to act. One way that the junta can prove its sincerity is to allow the new prime minister a free hand in picking his Cabinet. It would be pointless to have an able prime minister but a Cabinet he cannot work with.

We have reasons to believe that Anan made clear some ground rules to the junta before agreeing to accept the premiership. The statements he made to reporters the night he was named premier were a good indication of his position. One concession we believe Anan was able to extract from the junta was the promise of an early release for former premier Gen Chatchai Chunhawan from military custody.

The military has taken an important step in the right direction. It now has a man whose past experience and integrity command respects from vast sectors of the country to handle the crucial task of assuring the Thai public and the international community that Thailand is ready to return to parliamentary democracy and continue a liberal economic policy. Anan pledged to bring capable and honest persons into his Cabinet to help him do the job. The junta would do well on its part to give him a free hand in running the government—or else this "good news" may just turn out to be an illusion.

Sunthon Receives U.S. Envoy; 'Still Friends'

BK0503112491 Bangkok Army Television Channel 5 in Thai 1025 GMT 6 Mar 91

["News Update"]

[Text] This morning U.S. Ambassador Daniel O'Donohue paid a courtesy call on General Sunthon Khongsomphong, supreme commander and chairman of the National Peacekeeping Assembly [NPA], to convey his government's congratulations over the NPA's successful formation of a civilian government.

Interviewed by newsmen about the U.S. ambassador's call, Gen. Sunthon said it represented a new attitude of the United States, possibly indicating its recognition of Thailand, as we have carried out our promise to the people. Regarding the cut in U.S. financial aid, Sunthon said it is up to the United States; we will not beg. In any event, countries which are friends of Thailand have shown a better attitude toward Thailand, Sunthon said.

Regarding prosecuting the former prime minister after his release and banning his leaving the country, Gen Sunthon said no decision has been made on this issue.

Anan Remarks on U.S. Envoy's Call, Cabinet

BK0503142791 Bangkok Domestic Service in Thai 1200 GMT 5 Mar 91

[Text] U.S. Ambassador Daniel O' Donohue paid a courtsy call on Prime Minister Anan Panyarachun at the latter's residence this morning to offer congratulations to the new government. Prime Minister Anan Panyarachun reports to newsmen on the meeting as follows:

[Begin recording] [Anan] It was the first meeting, and there was no discussion. The ambassador offered me congratulations now that Thailand has a government, which in the eyes of the United States, is a right kind of government.

[Unidentified reporter] Did he ask you about the trend in our foreign policy just for the confidence of investors?

[Anan] Well, there is no change in our foreign policy. And the team to be in charge of foreign affairs is well versed on this matter. At today's meeting, he simply expressed support for my being appointed prime minister by the chairman of the policymaking council. We had an ordinary conversation during most of the time, and there was no discussion, and no request made.

[Reporter] Was there any discussion about President Bush's new world order?

[Anan] There was no talk on such a topic. Today's meeting is what is called a courtesy call [previous two words in English]—in English. There was nothing much about it.

[Reporter] Excellency, when will you be granted an audience with the king to present him the cabinet list?

[Anan] Last night, I said that I hoped the list would be completed by tonight. Anyway concerning an audience with the king, we will have to request it first. The BANGKOK POST meanwhile reported that I would take the list for an audience with the king. Well, many of you were present last night, and you know I did not make such a statement. We must first ask for an audience with his majesty, and then wait until there is word telling us when we can have an audience. As for my part, I think I can complete the cabinet list by tonight.

[Reporter] Will you go for an audience with his majesty yourself or [passage indistinct]?

[Anan] According to the procedure, the newly appointed prime minister will present the cabinet list to his majesty for royal signature. Then I will bring back the royal command for announcement to the public. Afterwards, we will request another royal audience for the entire cabinet to take the oath before his majesty.

Major policies or decisions on major porjects will have to wait for the cabinet meetings. They can be tackled by the 34 to 35 cabinet members or by the cabinet committees which will have about 8 to 15 members. I am sure that all ministers appointed, as well as their deputies, will know from their common sense which problems can be decided by separate ministries, and which problems must be discussed by the entire cabinet for a joint decision. The work of a government is a joint responsibility, and this will be the principle for me to follow. Therefore, we cannot say that this or that person is 100 percent in charge of this or that ministry. Even myself, I am not in full, 100-percent control of the government. I must consult with the ministers, deputy ministers, as well as permanent officials. It is impossible to say that there must be no interference among ministries. There needs to be discussion and consultation. If we start out with mutual trust and respect, I think we will be able to achieve the goal desired by all of us. [end recording]

Lao Ambassador Meets With Gen Sunthon

BK0503013491 Bangkok THE NATION in English 5 Mar 91 p A2

[Text] Laotian Ambassador to Thailand Bounkeut Sangsomsak yesterday paid a courtesy call on Gen Sunthon Khongsomphong, head of the military junta, in an implicit show of recognition of the new regime.

Laos is the third country, after China and Burma, to give de facto recognition to the military junta.

Bounkeut spoke briefly with the military leader when they met at the headquarters of the Supreme Command.

The Laotian ambassador told reporters after the meeting that Thai-Lao ties were in good shape despite the political changes in Bangkok.

Relations between the two neighbouring countries have improved dramatically after a brief, but bloody, border dispute in 1988.

Chatchai's policy of turning Indochinese battlefields into marketplaces won broad acceptance from government leaders in Vientiane, while the armies of the two countries have independently developed their cooperation to jointly manage border areas to prevent a recurrence of the dispute.

NPC Orders Freeze on Chatchai's Assets

BK0503015491 Bangkok BANGKOK POST in English 5 Mar 91 p 1

[Text] The National Peacekeeping Council [NPC] has ordered the assets of former prime minister Chatchai Chunhawan and two associates frozen in a widening anti-graft probe against members of the toppled administration.

Reliable commercial banking sources said that an order had been issued on February 28 to freeze the assets of Gen Chatchai, former prime minister's deputy secretary-general Det Bunlong and PM's [prime minister's] policy adviser Phitak Inthrawithayanan.

Under the order, the assets of their wives and children were also frozen.

The Bank of Thailand, acting on the orders of the NPC, has instructed commercial banks to report on the financial standing of the three by 3 p.m. today.

Gen Chatchai, Mr Det and Mr Phitak have become the second batch of members of the previous administration who had their assets frozen by the military which seized power on February 23.

Under the NPC order, the commercial banks are to report on the financial standing of Gen Chatchai, Mr Det and Mr Phitak over the past 30 years.

The NPC had earlier frozen the assets of 22 former ministers in the Chatchai government and set up a committee led by former interior minister Sitthi Chirarot to investigate their wealth.

The anti-graft committee yesterday set up three subcommittees, each conducting separate probes into the wealth of ministers in charge of security, economic and social affairs respectively.

Committee secretary Chaiyachet Sunthonphiphit said the panel had already been informally told of the list of the first 22 ex-ministers as targets of its investigation.

The committee was waiting for evidence from the NPC to back corruption charges against the group, he said.

The anti-graft committee would conduct an investigation against the politicians.

Government officials targeted would be investigated by the Counter Corruption Commission.

Mr Chaiyachet said Prime Minister Anan Panyarachun was considering ways to help the 22 politicians targeted for investigation to ease any financial hardship caused by the freezing of their assets.

National Peacekeeping Council Announcements 45-47

BK0403120491

[Editorial Report] Bangkok MATICHON in Thai on 3 March carries, on page 4, three announcements of the National Peacekeeping Council.

Announcement No. 45, issued on 28 February, appoints two more persons as members of the Asset Verification Committee, set up under Announcement No. 26. They are: Amnuai Wongwichian, and General Rian Ditthabanchong.

Announcement No. 46, dated 28 February, appoints two more persons as secretary and assistant secretary of the Advisory Board set up under Announcement No.17. They are: Prathak Simaphichaichet, and Phunsi Thongkhaimuk.

Announcement No. 47, dated 28 February, amends the Revolutionary Party's Announcement No. 216 issued on 29 September 1972. According to it, "The Office of the Supreme Prosecutors," an independent body under direct supervision of the prime minister, will take over the authority and responsibilities of the Department of the Public Prosecution, formerly under the Interior Ministry. This adjustment is aimed at making public prosecution work independent and free from political interference. The announcement is 600 words long.

Editorial Says Article 27 Leaves Room for Abuse

BK0503024591 Bangkok BANGKOK POST in English 5 Mar 91 p 4

[Editorial: "Many Questions Raised by Article 27"]

[Text] When members of the older generation talk about the upsurge in serious crime in recent time, they sometimes recall the absolute power to deal with lawlessness under the infamous Article 17 during the regime of Field Marshal Sarit Thanarat. During that period people who committed serious offences such as arson or rape were summarily executed under the all-encompassing article. A largely crime-free society is said to have resulted during those years of dictatorial rule and memories of the period arouse nostalgic respect in some, dread in others.

But memories of the positive aspects of Article 17 are decidedly one-dimensional. Abuses of power by the Sarit regime also had considerable negative impact on the population. The controversial article was invoked not only against hard-core criminals, but also to curb freedom of expression and silence political dissent. A large number of Sarit's political opponents as well as liberal intellectuals were thrown in jail.

It is hardly surprising therefore that the introduction of something similar to Article 17 in the interim constitution promulgated by the National Peace-keeping Council [NPKC] last week has set off alarm bells. Article 27 of the new charter gives the NPKC chairman and the prime minister the same all-encompassing powers to take any harsh action to deal with those seen to be guilty of subversive acts against national security, the three sacred institutions, public order and good morals.

In preventing or suppressing such acts, the NPKC chairman or the prime minister, or both of them with the approval of a joint meeting of the NPKC, "have the power to issue any order or take any action and such order or action shall be considered lawful".

The first question raised by these wide powers is whether summary powers of this nature are either needed or relevant in modern-day Thailand. One of the chief architects of the interim charter, former PM's [Prime Minister's] Office minister Michai Ruchuphan, has defended the article's inclusion on the grounds that it would enable the caretaker administration to tackle urgent problems speedily and effectively.

Mr Michai's rationale may be correct to a degree. But what he and other proponents of the provision seem to have overlooked is the massive strides the country has achieved in political, social and economic development in the 30 years or so since the Sarit regime. Thai society today has grown to be far more pluralistic and complex than in the early 1960s and the introduction of an all-encompassing provision like Article 27 that risks creating an unnecessarily repressive atmosphere does not sit well with present-day reality.

Analysis of the causes of recent serious crimes—be they deadly gangland warfare in the provinces involving war weapons or serious public mishaps involving loss of life and property—invariably point to the same conclusion: lax and inefficient law enforcement.

There is no shortage of laws with tough penalties to deal with most criminal activities. The crux of the problem lies more in the inability of the authorities concerned effectively to enforce those laws. Corruption among officials in the enforcement agencies and influence-peddling of one nature or another are other factors behind the failure. Tackling the root cause of these problems would seem to offer a more effective and acceptable solution.

It is therefore comforting to hear from newly-appointed Prime Minister Anan Panyarachun that the article in question might have been meant to serve more as a preventive measure than designed to be put into actual use. In any event, it is advisable that the powers-that-be exercise extreme prudence before invoking this article.

Editorial Questions Military Holding Cabinet Posts

BK0503025191 Bangkok THE NATION in English 5 Mar 91 p A12

[Editorial: "Hoping It's Just Hearsay"]

[Text] The National Peacekeeping Council (NPKC) has settled for an ex-diplomat with considerable prestige and experience as the interim prime minister. What it badly needs now is a civilian governemnt with enough credibility to guide the country through this crucial period in its return to parliamentary democracy.

We were heartened by an assurance given by Supreme Commander Gen Sunthon Khongsomphong that the new prime minister, Anan Panyarachun, would be given a free hand in picking his own Cabinet. As we are only in the second week since the swift and bloodless coup d'etat that toppled the democratically-elected Chatchai administration, we have no reason to doubt the junta's stated intention to bring the country back to normalcy as soon as possible. Its decision to appoint Anan, who is known for his independent line of thinking, as prime minister has added to the public's expectations that the junta will give them a government free from outside interference.

But the "good news" was dampened almost overnight by consistent press reports that the junta in fact has no desire to install a government that is too independent. According to these reports—which still cannot be officially confirmed—the military plans to take control of key portfolios in the new Cabinet. The reports cited the defence, interior and communications ministries as being among these portfolious.

The reason given was that the military considers these posts too "security-oriented" to be left in the hands of civilians. Air Force Commander in Chief ACM [Air Chief Marshal] Kaset Rotchananin and Deputy Army Commander in Chief Gen Itsarpong Nunpakdi were mentioned as potential candidates to head the communications and interior ministries respectively. These reports were disturbing in that they emerged as Anan was trying to form a Cabinet and after the junta promised to step back and let the civilians run the country pending a general election to be held in the next 14 months.

We do hope that these reports are nothing more than hearsay that found its way into the news pages. We want to believe that the junta, as it has found a credible person as prime minister, will step back and let him find his own team to run the country. Of course, it is natural that the military would want to hand-pick the defence minister—something that we think is acceptable to the public at large. But it would be very unusual if it wants to have control of the communications and interior ministries as well.

If the reports are true, such a move would definitely backfire, destroying the image the junta has tried with some degree of successs to cultivate so far. And it would without a doubt put the new prime minister in a very awkward situation: he would have to deal with two powerful military leaders who as Cabinet members would be his subordinates but who as key members of the NKPC are effectively the real power-holders in the country.

We think it would also be very unfair to both ACM Kaset and Gen Itsarapong who as high-ranking military officers already have a lot of responsibilities to take care of. Besides administering the whole air force—a job that already requires full-time attention, ACM Kaset also serves as chairman of the board of directors of Thai Airways International and the Airports Authority of Thailand. It would be too much of a burden for ACM Kaset if he was to handle the Communications Ministry in addition to his existing duties.

We sincerely hope that Army Commander in Chief Gen Suchinda Khraprayun was only joking when he quipped "What's wrong with soldiers being Cabinet members?" when questioned by reporters on the issue yesterday. Of course, in answering that question literally we would have to say that legally there is nothing wrong, because the junta has already cleared the way for government officials and military men to assume political posts with the series of decrees it has summarily issued over the past one week.

But Gen Suchinda and the other coup-makers must not forget that they have already done enough in setting the clock back politically and economically with their seizure of power. And it would be very wrong if they try to retain their influence under what would be nothing more than a veneer of a civlian government.

Editorial Questions Fuel Price, Tax Cuts

BK0203063891 Bangkok THE NATION in English 2 Mar 91 p A8

[Editorial: "Rising Expectations"]

[Text] Ironically, there would be some satisfaction in claiming that the National Peace-Keeping Council [NPKC] is jeopardizing its credibility by cutting income tax rates and ordering the Commerce Ministry to consider lowering retail oil prices.

The truth is the two moves will probably do no damage at all to the NPKC's public image. Far from it. And that is where the cause for concern arises.

One of the NPKC's justifications for seizing power last Saturday was that the Chatchai administration had become so corrupt, incompetent and hell-bent on "destroying" unity in the military establishment that sound decisions were not being made. NPKC deputy leader Gen Suchinda Khraprayun went so far as to compare the pre-coup situation to the corruption and croneyism of Ferdinand Marcos in the Philippines before the 1986 uprising.

The comparison was a trifle exaggerated, but there was some justification. Indeed, this newspaper was among those who had warned from [as published] the state that ministers with questionable records were capable of dragging Thailand along the Marcos path to destruction. There is no doubt that the NPKC is right in identifying this as one of the major faults of the Chatchai administration.

But the past two and a half years has not been entirely a period of stupidity. Some of the ousted government's economic policies were sound despite being unpopular. Two of the most important were the new formula for calculating retail oil prices based on world prices and the state of the Oil Fund, the government's shock absorber for stabilizing domestic prices, and the raising of the interest ceiling rate on loans.

When Gen Chatchai Chunhawan took office in August 1988, he and PM's [Prime Minister's] Office Minister Kon Thapparangsi grasped the opportunity of low world prices to cut retail oil prices, a move that was clearly designed to gain favour with the public. That, too, is what the NPKC is doing now. A similar opportunity arises because the end of the Gulf War means lower world prices.

However, there is a difference. Chatchai and Kon warned when they lowered prices that the domestic market would have to reflect the world situation more clearly. Their public statements showed an understanding of the economics involved, and even though they delayed raising prices again, eventually they devised a reasonable formula to prevent excessive subsidies.

According to that formula, oil prices should not be cut yet. The Oil Fund is Bt [baht] 700 million in the red, and prices should stay where they are until it is Bt1.5 billion in the black.

By contrast, despite the high-powered market-oriented advisers on its advisory boards, the NPKC has apparently overlooked all economic arguments. The announcement said oil prices should be cut because the public was "suffering" from high fuel costs, which rose by about 30 per cent because of the Gulf War.

The NPKC could have quietly consulted the experts first to find out what a sensible policy should be and then taken action when the appropriate time had come. It did not, and the announcement will be interpreted as an order to "cut oil prices" even though the wording said the Commerce Ministry should consider doing so. The public will like the move, but important sections of the business community will be worried.

In this respect the NPKC may be seen to be trying to score political points with the public at the expense of economic rationale. This may raise unrealistic public expectations that the NPKC will find it harder and harder to meet. Requests for a high rate of the minimum wage, an across-the-board pay raise for government officials, an end to privatization in state enterprises, and a freeze on private school fees may follow.

Critics may also say the decision to cut income tax was also overhasty. There is justification for increasing personal allowances to cut taxable income because the main beneficiaries are taxpayers in the lowest income brackets. But there was no urgency, and the NPKC would have done better to have considered altering income tax in conjuction with the introduction of value added tax (VAT).

Both of these could affect government revenue and therefore need examination by qualified people will the necessary technical expertise before a political decision is made about what to do.

In the eyes of the majority, the NPKC's popularity will have been enhanced by these two sweeteners. But those whose interest in sound economic policy is more than superficial will question why the NPKC didn't leave these economic issues to government experts and the soon-to-be formed civilian caretaker government.

Police Pledge 'Tough Action' Against Crime

BK0503023591 Bangkok BANGKOK POST in English 5 Mar 91 p 3

[Text] The Police Department yesterday pledged to take tough action against so-called influential persons whose illegal activities are deemed detrimental to the country's economy and society.

Police Information Office director Chaloem Rotchanapradit told a press conference that in a meeting of the National Peace-keeping Council [NPKC] on February 27, NPKC leader Sunthon Khongsomphong assigned the Police Department to take concrete action to tackle every form of crime and traffic problem.

The so-called influential persons involved in illegal activities such as trading in contraband and illegal weapons and running illegal casinos would be subject to serious suppression, Lt-Gen Chaloem said.

All provincial police headquarters had been instructed to update their lists of influential persons, Lt-Gen Chaloem said.

Police would also crack down on theft of cattle, farming equipment, cars and motorcyles.

Police Chief Gen Sawat Amonwiwat, in a separate interview, said influential persons supsected of illegal activities and operators of major casinos would soon be summoned to a meeting for a warning.

He said the meeting, the date of which has yet to be fixed, would be chaired by either Gen Suchinda Khraprayun, deputy chairman of the NPKC, or the Interior Minister, who is yet to be named.

The police already has lists of influential people and all provincial police headquarters have been instructed to update them, the Police Chief said.

If the people continued with their illegal activities after being warned, they would be subject to tough action, Pol [Police] Gen Sawat said.

Asked if Article 27 of the Interim Constitution would be used against them, Pol Gen Sawat said he did not think application of the law would be necessary.

While Lt-Gen Chaloem was holding his press conference, Khon Kaen business tycooon Charoen Patthanadamchit, better known as Sia Leng, was at the Police Department.

Mr Charoen is said to be one of the country's influential persons, usually called Chao Phor (a mafia-type godfather).

Asked to comment on the statements and policies of the NPKC, Sia Leng said it would be good if they were seriously put into practice.

Mr Charoen said he called on Gen Sunthon yesterday morning at NPKC headquarters to congratulate him.

He said he had known Gen Sunthon well since the military strongman was a lieutenant-general.

Mr Charoen said he would give full support to the police policy of taking action against influential persons.

"I am not worried. I will have to adapt myself to the situation. I only hope that justice will really prevail," Mr Charoen said.

He said he would rather be called Nak Leng than Chao Phor.

Chao Phor tended to mean "a person who liked killing other people standing in his way, while Nak Leng meant "a person who seriously kept his promises and had high credibility", Mr Charoen said.

"I can guarantee you that I have a lot of credit in the eyes of the people, banks or casinos. I may lose one or two million baht a day at a casino without having to carry any money. How can I be a Chao Phor if I behave this way?" Mr Charoen said.

Mr Charoen claimed he knew a large number of people at high level in various circles icluding Assistant Police Chief Lt-Gen Winit Charoensiri.

He said he ran a number of agro-congolomerate businesses including four factories in Bangkok and Chon Buri, so gambling and the underground lottery meant nothing to him.

Sia Leng, however, admitted he liked gambling. He said he liked horseracing and had his own stable with more than 100 race-horses. A two-year-old horse cost him anywhere between 200,000 and 700,000 baht, he said.

Mr Charoen said he supported the idea of imposing tough penalties against vote-buying.

He said that in the last election he spent a huge sum of money to support candidates who sought his help. But it was a waste, he said, "like throwing money into water".

"In the last election, each candidate had to prepare a carload of 20-baht notes (to be distributed to voters). Next time, if money is still needed, we will have to use 50-baht notes," said Mr Charoen, who is known to have given financial support to candidates from various parties to run in different constituencies in the Northeast.

Mr Charoen said he would support New Aspiration Party leader Gen Chawalit Yongchaiyut in the next election.

Gen Chawalit, he said, had contributed a lot to the Green Northeast Project which was now bearing fruit.

Commenting on an attempt on his life in April last year, Sia Leng said it was because of a "misunderstanding" and he no longer bore a grudge against the assailants.

Medical Team Returns From Saudi Arabia

BK0303032891 Bangkok BANGKOK POST in English 3 Mar 91 p 5

[Text] A Thai Medical team dispatched to Saudi Arabia to treat casualties in the Gulf war returned home yesterday.

Medical Department surgeon-general Chettana Phalakonkun led his team of 26 physicians and medical staffers back home aboard an Egyptian airliner. They went to the Gulf on Junary 26.

The Thai medical team was divided, serving at two hospitals.

One group was at Jabail General Hospital in Jubail and the other was at King Khalid General Hospital in Hafar al Batin.

Official on Plans for Middle East Reconstruction

BK0403120391 Bangkok Voice of Free Asia in Thai 1030 GMT 4 Mar 91

[Text] According to Amphon Chunnanon, deputy director of the Labor Department, Secretary General of the National Peacekeeping Council General Itsaraphong Nunphakdi has instructed the Labor Department to prepare 100,000 Thai workers for post-war reconstruction in the Middle East out of anticipation that there will be strong demand for Thai work forces there.

Amphon said the Labor Department had opened five more skill labor development centers as part of measures to enhance potential employment of Thai workers abroad.

New Official To Head Thai-U.S. Aviation Talks

BK0403070391 Bangkok BAN MUANG in Thai 4 Mar 91 p 6

[Text] Mahidon Chantharangkun, permanent secretary of the Communications Ministry, disclosed after meeting with U.S. Ambassador Daniel O'Donohue that Thailand and the United States have agreed to hold negotiations on

Thai-U.S. aviation rights on 18 March in Bangkok. Mahidon said Rungrot Siprasoetsuk will replace him as the head of Thailand's negotiating team.

Mahidon said he felt prospects for the coming round of negotiations are good as both sides are mindful of their national interests and, therefore, want the negotiations to conclude quickly and constructively.

Mahidon said he would not head the Thai negotiation team any longer because his new post carries many responsibilities, making it inconvenient for him to participate in the negotiations. With exception of the leader, he said the Thai negotiating team will remain the same, consisting of Chitti Watcharalin, former director of the Civil Aviation Department, and representatives of the Foreign Ministry's Economic Department and Thai Airways International.

According to Mahidon, the Thai team will meet on 10 March to set its negotiating position. He said the coming negotiations might not end conclusively before 31 March. However, if U.S. airlines propose more than 28 flights after 31 March, the date which Thailand imposed a cut from 37, permission will not be granted until after there is a definite outcome from the negotiations.

Columnist Supports Amendment of Drug Patent Law

BK0503123191 Bangkok SIAM RAT SAPDA WICHAN in Thai 24 Feb 91 pp 28-30

["Economic News Report" column by "Opium King", entitled: "Drug Patent; Stop Lying to Ourselves"]

[Excerpts] [Passage omitted] Concerning the patent law, the United States wanted the three following steps to be taken by Thailand: Amend the present act in order to extend protection to drug patents; extend the protection period from 15 to 20 years; and amend and improve provisions on enforcement or revocation of the patent law. The United States wanted the draft amendment to be presented to the parliament for promulgation into law within this year.

The Economic Relations Policy Committee, under then Deputy Prime Minister Phong Sarasin as chairman, appointed Permanent Secretary of the Commerce Ministry Phachara Itsarasena in charge of negotiations with the U.S. Government. He was also appointed chairman of the ad hoc committee reviewing Thailand's intellectual property rights protection.

From the committee's assessment, it is inevitable for Thailand to extend protection under the patent act. But in principle, the extension must be in line with the trend adopted by GATT. Despite the fact that the Uruguay Round of GATT talks, scheduled for completion late last year, failed to reach a final agreement and has been locked in a stalemate, the ad hoc committee concentrated on the trends likely to be adopted in the end by GATT as a basis for Thailand's amendment of its patent act. At the same time, it tried as much as possible to minimize negative impacts on the Thai economy resulting from the amendments.

The industrial group to be directly affected by the amendment is the local drug manufacturers. The extension of patent law to cover drug manufacturing will make it impossible for them to copy foreign drug formulas as in the past. Local drug manufacturers have been lobbying against the amendment from the very beginning. They reason that the amendment will make prices of medicine much higher and the general public will have to pay more for medicine each year. Psychologically speaking, they hit the right target and have won support from student groups and social workers. Their negative reaction to the amendment prompted the government to look into measures to prevent any undesirable outcome expected from the move. A major task for the government is to find out how to prevent undesirable impacts on the people if it plans to give in to the pressures on Thailand to extend patent protection to cover pharmaceuticals.

The committee under Permanent Secretary Phachara Itsarasena as chairman, on 14 February, reviewed the proposed amendment to the Patent Act and agreed in principle to give protection to pharmaceuticals, beverages, food, farm machinery, and biolgical technology, and agreed to extend the protection period to 20 years. The amendments also include regulations pertaining to enforcement and revocation of patent rights, and, certainly, measures to prevent negative impacts which cause hardships to the general public. [Passage omitted]

Based on the committee's conclusion, there should be no problem about the local drug manufacturers' concern that the amendment would cause the prices of local medicine to shoot up and result in people having to pay more for drugs. The government will certainly adopt measures to prevent such repercussions and it is likely that the prices will be maintained at the present level.

Anyway, an amendment would be better than leaving things as they are when all kinds of drugs can be found in the local markets and most of them are of poor quality being made up of powder or other unnecessary ingredients. On the other hand, the pharmaceutical patent protection will be an incentive for local manufacturers to devote more to original innovations instead of just copying others. This will indirectly contribute to the development of the local pharmaceutical industry.

It is true that research for new inventions and the development of local pharmaceutical industries would require a large sum of money. Anyway, the government has made it a clear-cut policy to support the industry through measures to be introduced as incentives for local manufacturers. It will be a pity if the patent law is not amended simply because of internal pressure from a small interest group which only wants to protect its interests in copying foreigners by citing the masses as a pretext.

It cannot be denied that U.S. pressure played an important role in forcing us to make changes here and there in accordance with its wishes. Concerning the drug patent, the U.S. drug manufacturers association recently asked the

U.S. trade representative to punish Thailand under Section 301 of the U.S. Trade Act. As a matter of fact, even without pressure from the United States, the patent law will have to be amended.

Is it now time for us to be open-minded and accept realities as they are?

Two Vietnamese Refugees Shot Dead in Camp Revolt

BK0503014991 Bangkok THE NATION in English 5 Mar 91 p A1

[Text] Phanat Nikhom, Chon Buri—Two Vietnamese were shot dead and one was wounded as soldiers opened fire on rioting inmates at Thailand's biggest refugee camp here last night in the country's first outbreak of violence involving Indochinese refugees, witnesses said.

As of 11 pm, protesting refugees at the Phanat Nikhom camp were carrying the bodies of the dead in anger as troops were trying to control the simmering situation.

The refugees were protesting a plan to move some of them to the newly-established Sikhiu camp in Nakhon Ratchasima where inmates face possible repatriation to Vietnam.

The riot took place less than 24 hours after about 10,000 Vietnamese at the Phanat Nikhom camp broke out of their compound on Sunday night in protest against the Sikhiu resettlement plan.

Last night's riot by thousands of refugees erupted shortly after the arrival of about 200 soldiers who were sent to the camp following the turmoil on Sunday night.

The number of refugees confronting the soldiers near a fence reinforced by barbed wire barricades swelled quickly. The refugees' thunderous, rhythmic shouts echoed in the area.

After some refugees threw stones at the soldiers, who had their rifles fixed with bayonets, the troops were ordered to load their weapons with live ammunition, some soldiers said.

A group of refugees also seized a pick-up truck, probably belonging to a news crew, and drove away, an official said. It was not immediately clear how the clash erupted between the refugees and the soldiers.

Witnesses said two male refugees were killed and another was wounded in the leg. Other details were not available. About 200 more soldiers were later called in to the camp.

The situation at the camp was cool yesterday morning, following Sunday night's riot. But hundreds of Vietnamese were still milling around outside the camp at noon, coming and going through large gaps torn in the corrugated iron fence that marked the perimeter.

They vowed to resist any attempt to send them to the Sikhiu camp.

Camp officials made several attempts to contain the refugees, but were unsuccessful. Foreign aid workers arriving for work were told that they could not enter the camp.

Many Vietnamese were adamant that they would not move to Sikhieu.

"We want to express what we want. Not go to Sikhiu," said one agitated man.

According to the refugees, a man immolated himself in protest at the transfers.

"One person burned himself and is now in (the camp) hospital," a refugee said.

One group of young men, speaking in broken Thai, declared that they would immolate themselves if transfers to Sikhiu continued.

The Phanat Nikhom to Kabin Buri road, which bisects the camp, was briefly closed by the army at the height of Sunday night's demonstrations.

A bus-load of refugees left the camp at about 10.30 am yesterday.

Vietnamese at Phanat Nikhom voiced concern about the conditions at the Sikhiu camp in Nakhon Ratchasima and expressed fears that those sent there would be forcibly repatriated to Vietnam.

About 300 Vietnamese have been sent to the camp so far, said a foreign aid worker at Phanat Nikhom.

"Sikhiu is like a prison," said open young man.

Deputy Permanent Secretary for the Interior Chamnan Potchana said Sunday night's protest was prompted by "misunderstanding" stemming from "wrong information from some relief volunteers".

As of Janaury 22 this year, Phanat Nikhom housed 23,764 refugees, of whom about 14,000 are Vietnamese.

Most of the Vietnamese arrived in Thailand after March 14, 1989. Vietnamese who arrived after this date are no longer automatically considered refugees entitled to resettlement in a third country and instead they are classified as Screening 1, Screening 2 or Out.

Chamnan said Vietnamese classified as illegal immigrants would be resettled at Sikhiu.

He confirmed that after 90 days, those sent to Sikhiu would be repatriated or taken care of by the United Nations High Commissioenr for Refugees (UNHCR).

A UNHCR official in Bangkok emphasized that refugees would not be forcibly repatriated.

"The UNHCR will send them back (to Vietnam) if they don't object," said the official.

The official added that transfer of Vietnamese to Sikhiu was being undertaken to reduce overcrowding in Phanat Nikhom, which is administered by the Interior Ministry.

Guy Ouellet, acting UNHCR representative in Thailand, said that a group of camp eladers and a number of families had left for Sikhiu yesterday. They were expected to reassure their fellow countrymen about conditions at the camp after a first-hand inspection.

He said that Sikhiu, which has been open for just more than a month, had been established to offer in-depth counselling for Vietnamese labelled as economic migrants, not as refugees.

"They have a much better chance of resettlement though the ODP (the Orderly Departure Programme set up in Vietnam), under which we're sending out about 4,000 a month," he said.

Sunthon on Camp Situation

BK0503135591 Bangkok Domestic Service in Thai 1200 GMT 5 Mar 91

[Text] General Sunthon Khongsomphong, supreme commander and chairman of the National Peacekeeping Assembly, spoke to newsmen today at Supreme Command Headquarters about rioting by refugees in the Phanat Nikhom refugee camp in Chon Buri Province. Sunthon said initial reports stated that the riot was caused by refugees who were unhappy with not being selected for repatriation to third countries. Asked what action will be taken to remedy the situation, Sunthon said care for the refugees is the task of the Interior Ministry and that there are controls to ensure orderliness of refugees. Thailand does not want to take violent action because Thailand could be accused of violating the UN Charter on human rights; this poses problems for Thai security officials. However, if refugees cause disturbances, they will have to punished by law or deported. It is not right for refugees to create disturbances to refuse to leave the camp. Selection of refugees for relocation to other camps or for repatriation is done by the office of the UN High Commissioner for Refugees and various international organizations; Thailand has no part in the selection process.

Asked if soldiers will be used to help control the situation, Sunthon said soldiers will remain outside the camp as Interior Ministry officials handle the situation. If the situation exceeds the capability of the Interior Ministry, soldiers may have to be used. Sunthon said refugees who caused disturbances did not have their own weapons but took weapons from camp officials by force.

Meanwhile, Chamnan Photchana, deputy permanent secretary of the Interior Ministry, said the refugees created disturbances because they learned of Thailand's plan to send Vietnamese refugees who did not pass the examination for resettlement in third countries to the refugee camp in Si Khiu District, Nakhon Ratchasima Province, for repatriation. They organized fellow refugees to break out of the camp to the highway. Thai officials acted to restore peace, resulting in injury to five refugees and no deaths. Vietnamese refugees then asked that they not be sent to the Si Khiu camp and that the 381 who were sent away be brought back. They also insisted that they not be forced to return to Vietnam. They submitted a nine-point appeal, which Chamnan said was impossible to comply with, with points such as bringing back those sent to the Si Khiu camp or giving all refugees the right to resettlement in third countries.

Chamnan said the overall situation has calmed down, but the action of the refugees was illegal because it amounted to rioting, destroying government property, and causing physical harm to others. The culprits will have to be identified. Effective prevention will be necessary for other camps to prevent the situation from escalating into what occurred in Hong Kong.

PRAVDA To Close Bangkok, Manila Bureaus

BK0203062291 Bangkok THE NATION in English 2 Mar 91 p A3

[Text] PRAVDA, the newspaper of the Soviet Communist Party, is closing its bureau in Bangkok after more than 13 years of operation here, its correspondent here said.

Dr Valerian N. Skvortsov, chief of PRAVDA'S Bureau for Southeast Asia in Bangkok, is scheduled to leave the country toward the end of this month. He said PRAVDA'S bureau in Manila was also closing down.

Skvortsov said financial difficulty was one of the reasons for the decision to close down the two bureaus. "Besides, the newspaper itself is also undergoing restructuring," he said.

With its bureaus in Bangkok and Manila closed, PRAVDA will be represented in Southeast Asia officially only in Hanoi, he said.

He said PRAVDA was in the process of closing down half of its 46 overseas bureaus.

After President Mikhail Gorbachev came to power and introduced the policy of perestroyka, PRAVDA saw its daily circulation going down from 14 million copies to 2-3 million. One reason is that it is no longer compulsory for Communist Party members to subscribe to the newspaper, which serves as the party's mouthpiece.

Skvortsov, 55, has more than 25 years of experience covering Southeast Asia.

Samak To Quit as Prachakon Thai Leader

BK0203080691 Bangkok THE NATION in English 2 Mar 91 p A4

[Text] Prachakon Thai Party leader Samak Suntharawet yesterday vowed to relinquish the party leadership in an angry response to his inclusion on the military junta's list of politicians facing probes for alleged corruption.

Samak's announcement that he would tender his resignation to the party "at the earliest opportunity" came one day after Ben Thianchai Sirisamphan, also on the junta's probe list, resigned as leader of the Ratsadon Party.

The Prachakon Thai Party joined the Chatchai coalition government in December with Samak becoming communications minister, a post he had once held before political changes put him in the opposition bloc.

"I just couldn't believe my eyes when I saw my name in the corruption list," Samak told reporters at his Bangkapi residence.

The National Peacekeeping Council (NPKC), which toppled the Chatchai government in a military coup last Saturday, has ordered the freezing of assets of Samak, Thianchai and 20 other politicians accused of being "unusually rich" to pave the way for an investigation.

Samak described the junta's move as "discriminatory", saying if the military leaders really wanted to wage a large-scale anti-corruption campaign, all of about 80 ministers serving under Chatchai should face investigation.

"It's just like you have 80 suspected AIDs carriers but only 20 of them are ordered to have blood tests," Samak said.

He said his reputation had been ruined by the junta's move.

"I have decided to resign as Prachakon Thai leader," he said. "I have no will to work for the country any more. All my work has been useless."

Samak, founder of Prachakon Thai, has run the party in what is regarded as a "one-man-show" manner with no other party executives having shown clear potential as his possible successor. Prachakon Thai's strongest political base is Bangkok.

The military junta has banned political activities by political parties pending further notice.

Samak said he had contacted the NPKC in a bid to "clear" himself but received no response from the military rulers.

He repeated that his inclusion on the alleged corruption list was "unbelievable" considering that "I myself have been campaigning against corruption".

Samak has been on court probation after losing libel cases in which he was found guilty of defaming other politicians by raising corruption charges against them.

He said he had never approved any grand projects during his short term as communication minister under Chatchai. Samak was among several Cabinet members censured in Parliament when he served as communication minister under former prime minister Prem Tinsulanon.

Samak's reaction to his inclusion on the investigation list resembled that of Gen Thianchai who said on Thursday the tumultuous publicity of the junta's avowed anti-corruption drive was unfair to the accused.

Thianchai, who was education minister before Saturday's coup, said the corruption investigation badly damaged his reputation.

"It's enough for me. I'm hurt and very disappointed," the former commander of the Lopburi-based Special Warfare Centre said.

Vietnam

More Efforts To Settle Cambodian Issue Urged

BK0403121791 Hanoi International Service in English 1000 GMT 4 Mar 91

[Station Commentary]

[Text] Gunshots fall silent in the Gulf, but not in many other places in the world. In Cambodia these days, there remains the danger of a civil war breaking out. Here is our radio comment on this issue.

Actually gunfire has not for a single day died down for more than ten years in Cambodia, especially in the recent period the three Khmer opposition factions, particularly the Khmer Rouge, have stepped up their military activities. Their attack on population centers in the northwestern border of Cambodia and refugee camps in Sisophone town brought many dead and suffering to the local people.

Reports said that many countries have continued military aid to better arm the Khmer opposition forces. This action has threatened to ignite the flame of a civil war in Cambodia and at the same time nullify concerned parties' and countries' efforts for peace and achievement recorded in the settlement of the Cambodian issue.

Due to efforts of Vietnam, the Phnom Penh Government, France, and Indonesia—the two cochairmen of the Paris International Conference on Cambodia [PICC] and many other countries, the settlement of this question has entered a decisive stage. Consensus has been reached in most of the problems concerning the international aspects of the Cambodian issue; the remaining problems are related to the internal affairs of Cambodia. The best solution to this obstacle is that all the Cambodian parties sit down at the negotiation table and discuss an agreement. Foreign countries do not have the right to settle Cambodian's internal affairs. If war continues, this problem will never be resolved.

The Cambodian people continue to suffer destruction and hardship. Therefore, it is imperative at present for all the warring Khmer factions to show self-restraint, effect a ceasefire at an early date, and reconvene the Supreme National Council [SNC] to discuss and resolve the internal aspects of the Cambodian issue.

To accelerate the peace process, the international community should take practical and effective measures to prevent a civil war from breaking out. It is now more imperative and appropriate than ever for foreign countries to commit themselves to the initatives of the United States and the Soviet Union on September 23 last year regarding a moratorium on military aid to all Cambodian parties and an end to all interventions in Cambodia.

According to the American news agency AP, in the next few weeks the U.S. Senate Foreign Relations Committee will meet to discuss an end to U.S. aid to Khmer opposition forces.

Vietnam, as expounded in a statement released by the Foreign Ministry last week, is ready to, together with Thailand and Laos, undertake not to permit the transportation of other countries' weapons to Cambodia through its territory. The realization of the abovesaid commitment will be placed under the supervision of the United Nations.

Sincerely desiring an early settlement of the Cambodian issue, Vietnam urges all countries to renew their efforts, and especially stop their military aid to all Cambodian factions. This is the way to bring about peace and stability in Cambodia and Southeast Asia.

Import-Export Company To Deal With Cambodia

BK0403084991 Hanoi Domestic Service in Vietnamese 0500 GMT 2 Mar 91

[Text] The Import-Export Vicamex Company of Ho Chi Minh City was given the duty to import and export with Cambodia according to agreements. In the ever changing conditions of the international market, in 1990, the company successfully strove to coordinate with import-export units in Cambodia. It fulfilled more than 105 percent of the plan, a 21 percent increase compared with the previous year.

In 1991, the Vicamex Company is trying to increase the import-export trading value with Cambodia. Apart from executing the business contracts, the company is also building a Vietnamese business and economic centre in Cambodia, which will become a trading place for Cambodian and overseas business organizations and a service center as well.

The company cooperates with Cambodian import-export units to build more basic structure and public service projects. That makes the economic relations between Vietnam and Cambodia grow deeper, more efficient, and more beneficial. That also contributes to consolidate and develop the friendship cooperation between the two people, two countries in the new situation.

34,000 Workers To Return From East Bloc in 1991

BK0403151091 Hanoi Domestic Service in Vietnamese 1000 GMT 3 Mar 91

[From the Press Review]

[Text] The QUAN DOI NHAN DAN newspaper in page four reports that in a meeting with journalists in Hanoi recently, Bui Ngoc Thanh, deputy minister of labor, war invalids, and social welfare, announced that until 1 January 1991 there were more than 138,000 Vietnamese workers in the USSR, Germany, Bulgaria, and CSFR. This year, as predicted, there will be 34,000 workers returning home after the contracts expired.

Haiphong Receives 4,400 Hong Kong Returnees

BK0203115491 Hanoi International Service in English 1000 GMT 1 Mar 91

[Text] By the end of January, Haiphong port city had received 4,400 people repatriated from Hong Kong. This figure accounts for half of the number of the whole country's returnees. They are being helped by the local authorities to stabilize their lives and embark on production.

Job training centers in the city have enrolled 300 returnees. These centers are financed by the High Commission for Refugees and other humanitarian organizations of Australia, Denmark, Norway, and Japan.

Regional Conference on Atomic Energy Opens

BK0503080691 Hanoi VNA in English 0728 GMT 5 Mar 91

[Text] Hanoi VNA March 4—The 13th conference on regional cooperation on atomic energy in Asia and the Pacific opened this morning in Ho Chi Minh City.

Participating in the conference are Mr. Noramly Bin Muslin [name as received], deputy director general of the International Agency on Atomic Energy (IAEA), and 30 experts and representatives of 11 countries in Asia and the Pacific.

In his opening speech, Vice Chairman of the Council of Ministers General Vo Nguyen Giap highly appreciated IAEA efforts "in service of life and peace". He added " the Vietnamese Government, inspite of lots of difficulties left by decades of wars, has made great efforts to build its own atomic energy branch in service of peace for the nation".

Vietnam has officially joined the regional cooperation agency on atomic energy since 1979. This is the first time it sponsors such a conference in the country.

The three-day conference will dealt with a program of action of the regional agency on atomic energy for the 1992-1996 fiscal year. Besides it will focus on such topics as assistance projects, technical know-how transfer, training of experts and the application of atomic energy in such fields as medicine, agriculture, biology and industry.

Professor Ph.D. Pham Duy Hien, vice director of the National Atomic Energy Institute and director of the Dalat Nuclear Research Institute, was elected chairman of the conference.

Vo Van Kiet Interview on Malaysian Visit

BK0403151291 Hanoi Domestic Service in Vietnamese 1430 GMT 2 Mar 91

[VIETNAM NEWS AGENCY interview with Vo Van Kiet, first vice-chairman of the Council of Ministers—date and place not given; read by announcer]

[Text] Question 1: Comrade vice-chairman, could you please tell us about the objective of your recent official friendship visit to Malaysia.

Answer: I paid an official visit to Malaysia from 6-10 February 1991 at the invitation of the Malaysian Government. This was my first visit to Malaysia, a beautiful and hospitable country. Earlier, from 4-5 February 1991, I attended a symposium on economic development strategy at the invitation of the World Bank. The symposium was held in Kuala Lumpur and attended by Vietnam, Malaysia, Indonesia, and South Korea.

The visit was aimed at promoting mutual understanding and economic cooperation, and exchanging experiences in market-oriented macro-economic management.

Question 2: What are your remarks about and impressions of Malaysia's economic development?

Answer: I have learned that as far as economic development is concerned, Malaysia has turned itself from a key exporter of raw materials to a producer of export-oriented processing goods. It has continually maintained a high average growth rate of eight percent per year and more than nine percent in 1990.

Through my contacts with Prime Minister Mahathir, my working sessions with Deputy Prime Minister Ghafar Baba and the ministers of foreign affairs, finance, international trade and industry, and primary industries, officials of the Central Bank, the State Planning Coordination Office, and the Investment Promotion Office as well as through my visits to a number of research institutes and economic establishments in Malaysia, I was deeply impressed by Malaysia's economic development.

My strongest impression was Malaysia's timely readjustment of its economic development strategy from a strategy of industrialization aimed at replacing imports to an export-oriented strategy aimed at attracting capital, technology, and managerial skills from abroad, linking the regional market with the international market, and, at present, opening outward on the basis of a strong domestic industry so as to achieve comprehensive development.

In addition to a logical economic development strategy, I was also deeply impressed by four practical points as follows:

First, Malaysia has persisted in its efforts to continually improve the market-oriented management system based on five-year plans.

Second, Malaysia's Investment Promotion Office operates effectively and encourages and creates favorable conditions for investors in and outside the country.

Third, the organization and operations of the Ministry of Finance, which is responsible for formulating the national financial policy, firmly holds the reins and effectively handles all financial affairs throughout the country.

Fourth, there is a very strong banking system comprising a central bank and 38 commercial banks.

Question 3: Through your visit, what do you think about the feelings of Malaysian leaders and people toward our country?

Answer: Through our contacts with Malaysian leaders as well as our working visits to various offices, research institutes, and production establishments in Malaysia, my companions and I saw the expression of friendship, sincerity, and hospitality toward Vietnam on the part of Malaysian leaders who all wished for Vietnam's success in renovation so as to become a prosperous country.

Our Malaysian friends believe that with their determination to pursue the renovation line, the Vietnamese people, who are intelligent and hard-working, will learn from the rich experiences of many countries and quickly develop its national economy and catch up with other countries in the region. It is Malaysia's wish to achieve economic cooperation with Vietnam because a strong and stable Vietnam could contribute to the common prosperity and stability in the entire region.

I was very moved by the repeated assurances of Prime Minister Mahathir and Deputy Prime Minister Ghafar Baba that Malaysia stands ready to provide Vietnam with necessary technical assistance in the forms of technical cadre training and exchanges of experiences. This expression of sincerity and friendship on the part of Malaysian leaders and people has further consolidated the friendship between Vietnam and Malaysia.

I met many Malaysian ministers, high-ranking officials, and specialists and they all nurtured warm feelings toward Vietnam. Public opinion showed sympathy to and highly valued the Vietnamese delegation's visit to Malaysia.

Question 4: Malaysia has often expressed concern about the remaining Vietnamese boat people in the country. Has this issue been raised during your meeting with the Malaysian authorities? And what is our policy on the problem?

Answer: Yes, it is the issue of concern to the Malaysian side and it was raised in my meetings with the Malaysian authorities. I did clearly present Vietnam's stand on this issue. We absolutely sympathize with Malaysia which has to shoulder the burden caused by the illegal departure of Vietnamese boat people. Vietnam is ready to cooperate with the Malaysian Government to resolve this issue on the basis of humanitarianism and cooperation putting into consideration the real conditions of all parties concerned so as to find a long-lasting solution to the problem. Vietnam and Malaysia have agreed to hold a meeting to exchange views with an aim to resolve the issue.

Question 5: Would you please elaborate on the results of your visit and the prospects of friendship and cooperation between Vietnam and Malaysia?

Answer: The Malaysian leaders and I were of the opinion that my visit to Malaysia has ushered in a new stage of friendship and multifaceted cooperation between the two countries. Both sides agreed that in late February or early March Vietnamese and Malaysian specialists will meet to discuss and formulate plans on goods exchanges and joint ventures for submission to governments of the two countries for approval. Afterward, a joint Vietnamese-Malaysian committee will be established to implement these projects. Vietnam has accepted the invitation extended by the Malaysian Minister of International Trade and Industry to attend the Kuala Lumpur trade fair in October 1991. This will provide Vietnam with an opportunity to introduce its goods and merchandises and to show its capability in production and trade. The Malaysian Government welcomes Vietnamese delegations from various sectors to visit the country to study and exchange views on their fields of interest. With the traditional relations, good will, and efforts showed by the two sides, I am convinced that the relations of friendship and multifaceted cooperation between Vietnam and Malaysia will be developed for the common interest of the two nations and for peace and security in Southeast Asia. Vietnam welcomes and seriously studies all Malaysian initiatives aimed at strengthening the development of the regional economy.

Question 6: Would you please elaborate the objectives and results of the economic symposium which you attended in Malaysia?

Answer: At the invitation of the World Bank, I led our government delegation to Malaysia to attend the symposium on economic development strategy organized by the World Bank in Kuala Lumpur. Also attending the symposium were the Malaysian Government delegation led by Minister of Finance Daim Zainuddin; the Indonesian delegation led by Professor Wijoyo Nitisastro, former minister of coordination and adviser to the Indonesian President; the Republic of Korea delegation led by Kim Man-chai, former deputy prime minister and adviser to the president; the World Bank delegation led by Mr. Attila Karaosmanoglu, vice chairman for Asian affairs and chairman of the symposium. The symposium was attended and addressed by Malyasian Prime Minister Mahathir. The symposium focused its discussions on experiences obtained by East Asian countries on market-orientated economic management —a key task in the economic development strategy. The symposium was organized on the basis of the initiatives put forth by the World Bank to exchanges experiences obtained by Malaysia, Indonesia, and the Republic of Korea in market-orientated economic management during the past three decades with an aim to help Vietnam learn from the successes scored by these countries in different conditions. It is also aimed at introducing things that should and should not be done during the process of shifting the economy to a market-orientated mechanism. Delegates to the symposium presented various concrete experiences which help us to realize shortcomings in our past work and to find solutions for the future. These experiences can be summarized as follows:

First, the state plays an important role in formulating correct macro-economic management policies. A good economic management system does not mean rigid economic control aimed at achieving only short-term targets. As a result, the state should have a farsighted look to create favorable conditions for implementing policies formulated by the five-year development plan and other long-term development strategies.

Second, multi-economic components and the consumers are those who will implement the state policies. A correct policy will help them to score successes in production and business as well as in improving their expenditure and accumulation, thereby bringing about good results for the national economy.

With regard to short-term and long-term objectives, it is very important to work out a firm and wholesome budgetary management policy to ensure the easy circulation of currency between low and high interest-generating sources and the control of inflation. For long-term objectives, it is necessary to precisely define economic priorities and effectively use the means of management as if they are the tools that give the signals for us to deploy or not to deploy the production force.

Autonomy does not necessarily mean that there is no guidance for regulation. The seminar also laid stress on the lesson of experience in attaching importance to and encouraging the material benefits of peasants and fostering and training talented businessmen.

Third, it is imperatively necessary for us to learn from the lessons of South Korea and Malaysia concerning the strategy for export-oriented industrialization to attract investment through different periods of adjustment suitable to the economic life in the outside world, as well as to the process of development at a high speed.

The lesson concerning the tactics of joining the world financial community and normalizing debt relations with creditors, which was presented by the Indonesian delegation, is also very necessary for us.

Fourth, the state must pay attention to developing an economic infrastructure such as energy, water drainage, communications, and postal services; social infrastructure such as educational, training, public health, welfare, cultural, and sports services; financial infrastructure such as banking systems, financial corporations, insurance funds, and law establishments.

With regard to Vietnam, our friends were deeply impressed by the fact that despite our short period of renovation, we have been able to adopt new viewpoints and to successively solve the basic problems of an economy that is being switched to a market-oriented system, as well as to deal with matters related to prices and currencies and control the process of economic reform, thus ensuring stability in all respects.

The lesson of harmonizing the interests of peasants and assessing the achievements, especially in the fields of agriculture, exports, education, and public health, won the attention and even the applause of our friends.

In its report to the seminar, the World Bank also produced internal evidence of the process of switching to a market-oriented system of the commanding economies [CACS NEENF KINH TEES CHIJ HUY].

The World Bank and our friends also called our attention to difficult problems that may arise, especially in dealing with matters related to prices, if we fail to switch definitely to a market-oriented economy or to have a comprehensive program and countermeasures.

The seminar yielded positive results. Speaking with fervour, all delegations unfolded their experiences in all domains—especially those concerning finance, banking, export and import, and the investment environment—of which we still have to make a study and seek a more profound understanding.

With a serious atttitude, our delegation expressed its views and listened to the views of other delegations, while pointing out various issues for them to continue studying ways to help us, such as training cadres and opening prospects for cooperation in the days ahead.

Thanks to careful arrangement by Malaysia, the host country, favorable conditions had been created for the seminar to achieve good results. As Prime Minister Mahathir put it in his opening speech, the seminar has constituted a significant milestone in the process of advancing toward greater cooperation, thus ensuring regional stability and prosperity, and Malaysia and many other countries in the region have all expressed a desire to cooperate with and assist Vietnam.

Reportage on UNDP Financial Systems Project

BK0103162691 Hanoi VNA in English 1451 GMT 1 Mar 91

[Text] Hanoi VNA March 1—A ceremony was held here today for the signing of the UNDP [UN Development Program]-funded project on financial systems' development in Vietnam. Signatories were Ho Te, deputy minister of the finance on behalf of the government, and Mr. David Smith, resident representative of UNDP Hanoi, on behalf of the United Nations Development Programme (UNDP) and the International Monetary Fund (IMF).

The project will be executed by the IMF and jointly implemented by the Ministry of Finance and the State Bank.

The UNDP contribution to this project is 1,917,750 USD [U.S. dollars] and that of the government of Vietnam, 181,200,000 VND [Vietnamese dong].

The project is intended to support the Vietnamese Government's programme for economic reform by strengthening Vietnam's major financial institutions to operate effectively in a liberalised macro-economic framework. The specific activities include the reform of the banking system, budget planning and expenditure control (including establishment of treasury operations), fiscal and monetary statistics, financial monitoring of state enterprises, debt management, and financial policy development and financial programming.

Nguyen Van Linh Congratulates Mongolian Leader

BK0403153491 Hanoi VNA in English 1500 GMT 4 Mar 91

[Text] Hanoi VNA March 4—Nguyen Van Linh, general secretary of the Communist Party of Vietnam today congratulated Budragchaagiyn Dash-Yondon on the latter's election as Chairman of the Mongolian People's Revolutionary Party at its 20th Congress.

The Vietnamese party leader wished the Mongolian leader great success in his important post, and the traditional friendship and cooperation between the two parties and peoples further consolidation and development.

Do Muoi Receives Outgoing Mongolian Ambassador

BK0203111091 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Feb 91

[Text] Council of Ministers Chairman Do Muoi on 27 February received Hymajaviin Bassanjav, ambassador extraordinary and plenipotentiary of the Mongolian People's Republic to our country, who called on the chairman to bid him farewell before concluding his tour of duty in Vietnam.

Chairman Do Muoi Receives FRG Ambassador

BK0303064091 Hanoi Domestic Service in Vietnamese 1430 GMT 2 Mar 91

[Text] SRV Council of Ministers Chairman Do Muoi on 1 March received in his office German Ambassador Extraordinary and Plenipotentiary to Vietnam Jurgen Elias who paid a courtesy call on Do Muoi.

Chairman Do Muoi cordially talked to ambassador Jurgen Elias.

Nguyen Van Linh Receives DPRK Ambassador

BK0303075891 Hanoi VNA in English 0728 GMT 3 Mar 91

[Text] Hanoi VNA March 3—General Secretary of the Communist Party of Vietnam Central Committee Nguyen Van Linh recently received Yi Hong, ambassador of the Democratic People's Republic of Korea to Vietnam, who informed him of the process of socialist construction in his country as well as the latest initiatives put forth by the Workers' Party of Korea and the DPRK Government with a view to peacefully unifying Korea.

General Secretary Nguyen Van Linh had a cordial conversation with the ambassador during which he affirmed the support of the Vietnamese party, government, and people for the just cause of the Korean people.

The reception was also attended by Trinh Ngoc Thai, deputy head of the CPV Central Committee Commission for External Relations.

Do Muoi Holds Reception for Foreign Specialists

BK0103163891 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Feb 91

[Text] Council of Minister Chairman Do Muoi on 28 February cordially received at his office Professor Magenda, head of the economics and international geography department of the Stockholm College of Economics and delegates to the international symposium on socioeconomic development strategy for Vietnam up to the year 2000.

Attending the reception were Phan Van Khai, head of the State Planning Commission and Swedish Ambassador to Vietnam Birgitta Johansson.

Chairman Do Muoi, on behalf of the Vietnamese Government, welcomed and thanked the foreign guests for coming to Hanoi to attend this important symposium.

Chairman Do Muoi highly appraised results of the symposium as well as ideas contributed by foreign professors and specialists to the socioeconomic development strategy for Vietnam in the next 10 years.

Professor Magenda sincerely thanked the Vietnamese Government for its hospitality extended to the foreign delegates and for creating favorable conditions for the success of the symposium. On behalf of the foreign delegates, the professor welcomed results obtained by Vietnam in its renovation cause during the past period and presented viewpoints of the symposium for the socioeconomic development strategy of Vietnam.

Chairman Do Muoi exchanged views with the foreign guests on the drafting of the socioeconomic development strategy. He welcomed viewpoints expressed by Professor Magenda and other delegates.

The reception proceeded in an atmosphere of cordiality and friendship.

Purpose of Local Party Congresses Defined

BK0503034291 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 2 Mar 91

[Text] Last week, almost all provincial, municipal, and special zone party committees instructed grass-roots party organizations to hold first-round congresses and to prepare for second-round congresses.

Satisfactorily holding local party organization congresses is an important task in preparing for the Seventh National Party Congress of Delegates. The purpose of these congresses is to discuss and make suggestions to the various draft documents of the national party congress, such as the draft platform, the draft strategy of socioeconomic development, the draft political report, the summary report on party building and amendment of the party statutes, and the draft amended party statutes. These local congresses will also elect delegates to attend upper-level congresses, review past work, elect new executive committees, and discuss plans of upper-level congresses.

An important factor that will decide the success of local party congresses is that party committees as a whole and each party committee member must uphold their sense of responsibility before the party and the people and do a good job of preparing for local party congresses. This process must be really democratic and be able to mobilize the people's contribution of ideas to various tasks including the process of formulating draft documents, work programs, and personnel plans of the Seventh National Party Congress.

Border Defense Forces Day, Activities Noted

BK0403140991 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 3 Mar 91

[Text] Today is the traditional day of the Vietnam Border Defense Force, we extend our greetings to all border defense units throughout the country which have, together with the people and armed forces at the border areas and offshore islands, satisfactorily carried out the tasks of defending the fatherland's territorial integrity and maintaining peace and order at various border areas.

With assistance provided by the people, border defense units of Quang Ninh, Lang Son, and Cao Bang Provinces have foiled various schemes designed to damage our national defense projects and efforts to purchase weapons and explosive substances and to carry out armed robberies. The authorities arrested many ring leaders, and denounced and condemned instigators who forced the people to commit crimes.

Many border defense posts have, together with the local people and village authorities, persuaded more than 30 defendants to confess their crimes in order to receive leniency.

The Quang Ninh Province border defense force, meanwhile, organized a meeting of representatives of all village border defense units and unit heads who scored outstanding achievements in maintaining peace and security at the border areas to review past work.

The border defense units of Ha Nam Ninh, Thai Binh, Haiphong, Quang Nam-Danang, Thuan Hai, and Kien Giang Provinces have also satisfactorily carried out the tasks of opposing intruders, stopping illegal departures, and preventing foreign fishing boats from entering the Vietnamese territorial waters for fishing. Various naval units and groups made thousands of rounds of patrols and conducted exercises on the coastal areas. During the early days of 1991, these units stopped many illegal departures and seized dozens of foreign fishing boats intruding into Vietnamese territorial waters.

The border defense units of Gia Lai-Cong Tum and Dac Lac Provinces conducted drives to eliminate the FULRO [United Front for the Liberation of Oppressed Races] and sucessfully persuaded dozens of its members to defect and confiscated many pices of weapons and ammunitions.

The border defense units of Long An, An Giang, Song Be, and Tay Ninh Provinces have, together with the internal affairs sector, striven to curb cross-order goods smuggling and have scored remarkable achievements.

Hanoi TV Reviews 1990 Agricultural Production

BK0303145591 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 1 Mar 91

[Summary] "The 1990 agricultural year has concluded with a gross grain output of 21.5 million metric tons. This marks the great efforts of our agricultural sector and contributes significantly to economic stabilization and development throughout the country."

Peasants in the northern provinces are now engaged in the winter-spring crop production with a determination to achieve a high grain output in 1991.

"According to plan, the area slated for the 1990-91 winter crops is 347,000 hectares. However, only 263,000 hectares have actually been put under these crops, thus representing only 89.5 percent of the area slated for the 1989-90 winter crops and more than 75 percent of the planned norm." The decrease in the winter crop area is due to the fact that peasants in many localities have paid less attention to this crop production.

"In the 1990-91 winter crop season, corn has been planted on 63,300 hectares—a decrease of 40,000 hectares compared with the planned norm—with an average yield of 2.05 metric tons per hectare." The area of winter corn has decreased in almost all localities.

"Sweet potato has been planted on nearly 111,000 hectares or 85 percent of the planned area. The yield of winter sweet potato is relatively high—7 metric tons per hectare.

"Potato, although considered one of the major winter crops, has been planted on only 30,000 hectares, a decrease of 10,000 hectares compared with the planned norm." In many localities, due to a water shortage, the yield of potato is much lower than in the 1989-90 winter crop season, only 9.5 metric tons per hectares.

"The grain output in the 1990-91 winter is estimated at 482,000 metric tons, a decrease of 26,000 metric tons compared with the plan." After the winter harvest, peasants in all localities have urgently embarked on the winter-spring crop production.

"To achieve a gross grain output of 3.675 million metric tons in this winter-spring crop season, the northern provinces have striven to plant 1.77 million hectares of rice. It is expected that these provinces will attain a yield of 3.41 metric tons per hectare. To date, they have almost finished the planting of winter-spring rice on the entire area."

Oil Production Volume To Double Within 5 Years

BK0103134791 Hanoi Domestic Service in Vietnamese 0015 GMT 1 Mar 91

[Excerpt] [Passage omitted] In mid-November last year, Thailand and Vietnam agreed to cooperate in exploiting the energy source in the Gulf of Thailand which spreads over the area of 6,000 square kilometers. Thai oil companies PTT and SOILCOM are charged with exploiting alongside the U.S. company UNOCAL.

Vietnam plans to double its oil production volume within 5 years to reach 6 million tonnes. It also concluded a similar accord with Indonesia in late October 1990. This permits Vietnam to exploit one of its most promising offshore oil veins. According to an estimate, the Dai Hung mine contains 500 million barrels. One barrel is equivalent to 159 liters of crude oil. The Bach Ho is located a few kilometers from the Dai Hung and is being exploited by the joint Vietnamese-Soviet Gas and Oil Company. It has produced 800 tonnes of oil daily. [passage omitted]

People Invest More in Production, Business

BK0403152191 Hanoi VNA in English 1450 GMT 4 Mar 91

[Text] Hanoi VNA March 4—Over the past two years, people in the whole of Vietnam have invested 154,000 taels of gold and 1920 billion Vietnam dong in developing business and production.

By the end of 1990, the people in Haiphong Port City had invested nearly 100 billion Vietnam dong in gold and cash in production. As a result, 1,000 cooperatives, joint ventures and private enterprises involving nearly 4,000 households have been set up. Many of them such as the Dong Tien Export Garments Cooperative, the privately-run export wood furniture and porcelain enterprise HAVINACO, the Minh Hoa building constructor, etc are doing brisk business. Most of the money in Haiphong is invested in the transport sector. At present Haiphong has about 600 ships and boats (with a combined capacity of 20,000 tonnes) and 1,300 lories and passenger cars bought by individual entrepreneurs, which provide jobs for 68,000 people.

Also over the past two years, 71 private production enterprises, 1,500 joint ventures, and nearly 10,000 private business households have been set up. Many of them, particularly BEMES, a [word indistinct] formica roofing sheet manufacture; S.E.L., an electric goods assembly enterprise; HAFICO, a looking glass establishment, etc. are making profits. These private establishments have supplied diversified industrial goods to the local market, and created jobs for nearly 40,000 people.

However, investments from the private sector over the past two years represent only 10 percent of the idle money and nearly one percent of the gold in the possession of private citizens. A recent survey estimates that about 20 million taels of gold and 2,000 billion Vietnam dong remain unused among the people.

In a recent public opinion survey, 95 percent of those interviewed said that the people are still reluctant to invest in production and business, because of the absence of concrete state regulations, and 75 percent said they were deterred from investing because of the intricacies of administrative procedures.

Investment Forum To Be Held 11-15 Mar

BK0303163091 Hanoi VNA in English 1450 GMT 3 Mar 91

[Text] Hanoi VNA Mar 3—The State Commission for Cooperation and Investment and the United Nations Industrial Development Organization (UNIDO) have jointly prepared 187 Vietnam-based projects, including 42 ones in Ho Chi Minh City, to be referred to by foreign companies before attending the Vietnam investment forum to be held in Ho Chi Minh City from March 11-15.

Besides, 80 companies, joint ventures and factories of different sectors in Ho Chi Minh City have arranged expositions displaying their high-quality export goods and graphic representations of their potentials and performances.

Up to Feb. 25, 408 major foreign companies have registered to attend the Vietnam investment forum. Some 500 foreign companies and 300 others at home are expected to participate in the forum.

Do Muoi Visits NHAN DAN Office 2 March

BK0403070191 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 2 Mar 91

[Text] On the 40th anniversary of the publication of the first issue of NHAN DAN on 11 March 1951, on the morning of 2 March, Do Muoi, chairman of the Council of Ministers, paid a working visit to the daily's editorial office.

After being briefed by Editor in Chief Ha Dang and other members of the editorial staffs on the implementation of NHAN DAN's tasks over the past 40 years, Chairman Do Muoi, on behalf of the party Central Committee and the Council of Ministers, praised cadres, reporters, editors, and other workers of NHAN DAN for overcoming numerous difficulties, steadily implementing party and state lines and policies in various stages of the revolution, especially in the country's renovation process. This therefore proves them to be worthy inheritors of the tradition of the national revolutionary press founded by President Ho Chi Minh and the glorious cause of the forerunning newspapers.

Addressing the paper's key cadres and reporters during his visit to the computer and fax machine rooms, Chairman Do Muoi pointed to the requirements of the party's organ. He said: In the coming years, NHAN DAN should firmly adhere to and reflect the party's and state's creative thinking in the renovation process. It must truly be the voice of the party and people and introduce good models while reporting on new difficulties in the implementation of the party's and state's policies and positions. Cadres and workers of the paper should work together to surmount the current difficulties and effectively prepare to satisfactorily implement the resolutions of the Seventh National Party Congress. They must direct their efforts toward achieving socioeconomic stability and development, strengthening political stability, and pushing back negativism and social injustices. To satisfactorily fulfill its functions and tasks, NHAN DAN must be politically reliable while making itself more attractive to its readers. The paper must adopt measures to work together with the Council of Ministers and organs concerned to strengthen its material and technical bases, modernize the publishing process, and step up distribution to increase the circulation of the party's paper by putting it in the hands of the people in all parts of the country. The paper's contingent of journalists must firmly hold on to the party's and state's lines and policies, and have a profound knowledge of domestic and international issues. At the same time, they must show integrity, frankness, and professional dynamism so as to produce press articles that are exciting, accurate, and correct, thus bringing into full play the great social role of the party's organ vis-a-vis party members and the public.

The Council of Ministers considers caring for the party's paper and its contingent of workers as well as other journalists throughout the country one of its responsibilities. Yet, this assistance, no matter how great, cannot replace the effort of the paper itself and of its journalists. NHAN DAN should not only have a serious and correct content but also quickly renovate its form to meet the mass demand. Now that the reading standard is higher, the party's paper must be equal to its tasks.

Chairman Do Muoi hoped that NHAN DAN and the Vietnamese press as a whole will show dynamism, persist in its renovation process, and achieve success.

Linh Addresses Ex-Con Dao Prisoners Meeting

BK0403075991 Hanoi Domestic Service in Vietnamese 1100 GMT 1 Mar 91

[Report on 28 February Hanoi ceremony to offer longevity congratulations to ex-Con Dao political prisoners with Party General Secretary Nguyen Van Linh in attendance—portions recorded]

[Summary] On the start of springtime in the year of the goat, on 28 February, the Hanoi Liaison Club of Former Political Prisoners held a ceremony to offer longevity congratulations to ex-Con Dao political prisoners now residing in Hanoi.

"Attending were hundreds of veteran revolutionaries who were once imprisoned by the enemy at the hard-labor Con Dao prison before 1945, and during the nine-year war of resistance and also the anti-U.S. struggle for national salvation. Also present were Comrade General Secretary Nguyen Van Linh and Comrade Adviser to the party Central Committee Pham Van Dong, who were former prisoners at Con Dao."

The ceremony began with the observance of a minute of silence in memory of those who had died at Con Dao and other imperialist-run prisons.

Comrade Vo Phuoc Dong, head of the Liaison Committee of Former Con Dao Political Prisoners, offered his longevity congratulations to Comrade Pham Van Dong, 85; Nguyen Kim Cuong, 85; Ngo Ngoc Hung, 80, Nguyen Van Nhuong, 74; Ngoc Phuong Son and Nguyen Thi The, both 70.

Sharing the mutual feelings of ex-prisoners, Comrade Pham Van Dong highlighted the pride and sacrifice of those revolutionaries who fought for the country's independence from the time prior to the party's birth.

"As a former inmate, Comrade General Secretary Nguyen Van Linh expressed his joy at being present and extended his health wishes to revolutionary fighters who had undergone various rigorous periods of the revolution unscathed and who now witnessing the victory of the revolution they wished as young men.

"The comrade general secretary analyzed the world revolutionary situation and enemy schemes at present. He said:

[Begin recording] "Uncle Ho has applied Marxism-Leninism creatively and through this he has come up with a policy to liberate our country. We should now follow Uncle Ho's examples by firmly grasping the principles of Marxism-Leninism. We should research and develop creative ideas to gradually deploy the socialist revolution to suit the situation of our Vietnamese country.

"Since the Sixth Party Congress, we have scored some creative renovations. In carrying out our renovation, we did not have any godsent-textbooks we could look up to find out what to do, such as how to carry out economic and renovation, how to effect a political renovation, how to undertake a social change, and how to renovate our thinking and attitudes. We should strive to do these while conducting research and developing innovative ideas and should always monitor actual developments. We should review and develop what is right as we have always practiced, and should promptly address what is wrong. As responsible people, we are doing this.

"I also share the view that when a member of the government gets older, he should retire so younger people can take over. The same thing applies to those in the party. But there will be no story of retiring as a revolutionary. It is expected that you should, depending on your health and our situation, continue our revolutionary work until your last breath. We, the veteran revolutionaries who have stood the test of time and who have on several occasions escaped death, are still here alive while many of our comrades are gone. We must try to educate the younger generation. Younger party members have not gone through the rigorous periods of revolution. They do not know what suffering under enemy suppression and exploitation is like, and have never engaged in a face-to-face struggle with the enemy.

"I hope you retired revolutionaries will participate in educating new party members." [end recording]

"The comrade general expressed his understanding of the difficulties now confronting the lives of retired veteran revolutionaries and thanked them for having enthusiastically contributed their heart-felt and valuable views on the party's policies and resolutions. Especially, they have recently contributed their views on various documents of the Seventh Party Congress.

"The comrade general secretary emphasized the need for the state to satisfactorily carry out their policies and responsibility to give more care to those who have contributed to or sacrificed for the revolution.

"The comrade general secretary also analyzed the country's present problems, pointing out that it is now more than ever the responsibility of everyone to help tide the country over its difficulties.

"Those ex-Con Dao prisoners present at the springtime get-together hailed the remarks of the comrade general secretary. They regarded his remarks as an encouragement to those present in this get-together of veteran revolutionaries to develop their warm sentiments and their profound revolutionary enthusiasm in order to enjoin the entire party and armed forces in taking the country forward."

Leaders Attend Pham Van Dong Birthday Function

BK0203100391 Hanoi Domestic Service in Vietnamese 1100 GMT 1 Mar 91

[Text] On 1 March, the party Central Committee held a cordial get-together to extend its greetings to Comrade Pham Van Dong, adviser to the party Central Committee, on the occasion of his 85th birthday. Attending the get-together were Comrades Nguyen Van Linh, Vo Chi Cong, and Do Muoi, as well as all the other members of the party Central Committee Political Bureau and Secretariat, and many comrade leaders of various organs and sectors at the central level.

In a warm and emotional atmosphere, Comrade General Secretary Nguyen Van Linh, on behalf of the party Central Committee, cordially expressed his respect and gratitude and extented his greetings to Comrade Pham Van Dong—one of the outstanding disciples of esteemed Uncle Ho and one of the revolutionary fighters and outstanding leaders of our party and state who has contributed and is continuing to contribute his talent, thoughts, and energy to the country in his capacity as adviser to the party Central Committee.

The comrade general secretary wished Comrade Pham Van Dong good health and expressed the determination of the entire party to follow Comrade Pham Van Dong's examples by satisfactorily preparing for the Seventh Party Congress and making it a fine success so that it can lead our people out of their difficulties in order to continue advancing on the path of socialism.

Comrade Pham Van Dong thanked the party Central Committee for its greetings and said: As long as I remain in good health I will continue to struggle for the revolutionary cause of our party and people. I endorse the renovation policy of the Sixth Party Congress, which has opened new prospects for the advancement of our country.

I think that now is the time for all of us and all of our sectors, localities, and people to unite and to sharpen our determination in the struggle to overcome the present difficult stage step by step and, especially, to eliminate at all costs various acts of negativism which are obstructing our progress, thereby bringing about a healthy environment for our society and helping to create favorable conditions for convening the seventh party congress. This is the best way of applying the motto: Uncle Ho lives forever in our cause.

On this occasion, those revolutionary veterans who had been imprisoned at Con Dao before the August 1945 Revolution also held a get-together with the participation of Comrade General Secretary Nguyen Van Linh, and extended their greetings to Comrade Pham Van Dong on his 85th birthday.

Australia

Trade Minister on Missions to Washington, Gulf

BK0503073391 Melbourne Overseas Service in English 0700 GMT 5 Mar 91

[Text] Australia's trade minister, Dr. Neil Blewett, is to lead a trade mission to the Gulf region next week. The move was announced in parliament by the prime minister, Mr. Hawke, who also said Australia's permanent representation in the Middle East will be upgraded.

[Begin Hawke recording] The minister for trade and overseas development, Dr. Blewett, will lead a trade delegation to the Gulf region next week and we will appoint a senior officer of the Department of Foreign Affairs and Trade to the rank of ambassador to coordinate the government's Middle East trade strategy.

We are also examining the establishment of a new diplomatic mission in the Gulf region. [end recording]

Dr. Blewett will travel to the region after leading a bipartisan trade delegation to the United States to highlight how American export subsidies are threatening Australian wheat sales.

U.S. Visit To Lobby Against Subsidies

BK0503074991 Hong Kong AFP in English 0734 GMT 5 Mar 91

[Text] Canberra, March 5 (AFP)—An Australian delegation is due to leave here Wednesday for Washington to protest against U.S. wheat export subsidies, which have depressed world grain prices.

The bipartisan delegation, led by Trade Minister Neal Blewett, will be pressing for an end to subsidised wheat sales, particularly in traditional Australian markets. A subsidy war being waged between the U.S. and the European Community (EC) has been blamed for pushing down wheat prices on world markets, with Australia likely to lose one billion Australian dollars (780 million U.S.) in wheat export revenue for 1990-91.

Andrew Inglis, president of the Grains Council of Australia, said it was unlikely the delegation would achieve a great deal in attempts to convince the U.S. Congress to curb subsidies. Congress is considering doubling the export enhancement program budget.

"We don't feel terribly optimistic about the prosects of the delegation," Mr. Inglis said.

A spokesman for the Australian Wheat Board indicated that Australia regards the U.S. as the main protagonist in the subsidy war. The board has briefed the delegation.

"It is a relevant time to again let the U.S. know of the concerns and the effects in Australia," the spokesman said.

The conservative opposition has criticised Prime Minister Bob Hawke for not leading the delegation, a move which would have ensured a higher profile for the mission. The government has indicated a second mission may be sent to Europe to present concerns directly to the EC.

Mr. Inglis said: "We wish the delegation well and hope they are successful but there is a concern that this delegation will divert attention away from the problems we have within Australia concerning the wheat industry."

He said unless growers received assurances over price from the government, plantings for the coming season could be down by as much as one-third with farmers facing their lowest returns in 50 years.

Gulf Visit To Discuss Rebuilding

BK0503093491 Hong Kong AFP in English 0910 GMT 5 Mar 91

[Text] Canberra, March 5 (AFP)—Australia will send an economic team to the Gulf to look into post-war trade opportunities, Prime Minister Bob Hawke said here Tuesday.

Mr. Hawke told parliament that Trade Minister Neal Blewett would head the delegation to the Middle East after talks this week in Washington.

He said Paul Barrett had been appointed ambassador responsible for coordinating Middle East trade strategy.

Major companies such as state telecommunications group Telecom Australia and steel-maker BHP Co. Ltd. are keen to secure contracts for Kuwait's multi-billion dollar post-war reconstruction.

Mr. Blewett and Australian industry leaders are expected to meet Saudi and Kuwaiti government representatives next week.

A spokesman for the Australian Wheat Board (AWB) said the authority has been trying to re-establish communications with Iraq to determine the extent of war damage to grain facilities.

Iraq was Australia's biggest wheat buyer, taking 1.4 million tonnes in 1989-90, until trade was suspended on August 2 and subjected to a government export ban.

The AWB was completing work on recommissioning the Port of Ummqasr, damaged during the Iran-Iraq war, at the time of Iraq's invasion of Kuwait.

"We would certainly be going back there as soon as it is safe to do so to talk to them about the next step in the relationship," an AWB spokesman said.

Mr. Blewett said he would be telling U.S. officials in Washington later this week that Australia's existing commodity trade with the Middle East should not be undercut by subsidised food exports from any of the U.S.-led allies.

"I will also seek briefings on the role of U.S. companies and agencies in the process of Kuwait's reconstruction, in the expectation that there will be opportunities in the context for Australian subcontracting," Mr. Blewett said.

Australia's warships—the destroyer HMAS [Her Majesty's Australian Ship] Brisbane, the frigate HMAS Sydney and the supply ship HMAS Westralia—are expected to remain in the Gulf until the United Nations Security Council lifts all sanctions.

A 23-member Australian Navy diving team will soon begin the dangerous job of clearing mines and unexploded bombs from the Gulf, Defence Science and Personnel Minister Gordon Bilney said.

35 Cambodian Boat People Sighted Off North

BK0503074291 Melbourne Overseas Service in English 0700 GMT 5 Mar 91

[Text] A second boat believed to be carrying Indochinese refugees has been intercepted off northern Australia. The boat was sighted northwest of Darwin as Nicky Kamel reports:

[Begin Kamel recording] Officers from HMAS Wollongong boarded the boat this morning. Coastwatchers' Apple Gardiner says that 35 Cambodians on board appear to be in good health and have plentiful supplies of food, water, and fuel. A customs launch will rendezvous with the boat early tomorrow morning and will escort it back to Darwin harbor.

Immigration officials are still busy interviewing another 33 boat people who arrived in Darwin yesterday. [end recording]

New Zealand

Mine Clearing Team Allowed Into Afghanistan

BK0503051491 Hong Kong AFP in English 0442 GMT 5 Mar 91

[Text] Wellington, March 5 (AFP)—A New Zealand army mine-clearance training team will visit Afghanistan to check on the work of people it trained in Pakistan, an army official said Tuesday.

Although one of nine countries involved in training, New Zealand is the first to be allowed into Afghanistan, Lieutenant Colonel Selwyn Heaton said.

Millions of mines were planted across Afghanistan by the Soviet Union during a guerrilla war there.

The mine clearance training programme is sponsored by the United Nations.

Lt. Col. Heaton, senior operations officer and technical advisor to the U.N. chief of mission in Islamabad, said more than 13,000 people have been taught mine-clearance techniques. Many Western humanitarian agencies operate projects in Afghanistan from neighboring Pakistan.

No dates were given for the visit.

Papua New Guinea

Provincial Government Suspended for Mismanagement

BK0403063091 Melbourne Overseas Service in English 0500 GMT 4 Mar 91

[Text] The Papua New Guinea Government has suspended the East Sepik Provincial Government accusing it of widespread maladministration and for mismanagement of public funds over a number of years. In announcing the decision to suspend the East Sepik Government, the prime minister, Mr. Rabbie Namaliu, said the government had ignored what he called these deploring problems and blamed the public service.

Mr. Namaliu said financial statements and the auditor general's report for the years 1984 to 1989 revealed that the provincial government had been operating on a substantial deficit budget over the years. The East Sepik Provincial Government's term in office was due to expire in August, but the suspension will take effect immediately.

The prime minister said cabinet had authorized the minister for provincial affairs, Father John Momis, to appoint an administrator and a deputy to manage the affairs of the province.

East Sepik is the ninth provincial government to be suspended for financial mismanagement since 1983.

Police Training Requested From Australia

BK0303080191 Melbourne Overseas Service in English 0500 GMT 3 Mar 91

[Text] Papua New Guinea's prime minister, Mr. Rabbie Namaliu, says he has asked Australia to provide police to help train Papua New Guinea police to end the country's law and order crisis. At a [words indistinct] during a visit last week by 10 members of an Australian parliamentary committee which is reviewing all aspects of relations between the two countries.

Radio Australia's Port Moresby correspondent, Brian Abbott, reports:

[Begin Abbott recording] In a statement issued in Port Moresby, Mr. Namaliu described the discussion of law and order as frank, and said he was confident the committee members understood the magnitude of the problem and the difficulties faced in resolving it. He said he told the committee members at a meeting on Friday [1 March] that Papua New Guinea would warmly welcome further direct support, particularly Australian police personnel. (?He said) he and his ministers had also given the Australian parliamentary delegation an absolute assurance on the strength and stability of the PNG economy and the security of mining industry investment, and outlined how resource development will improve the living standards and further strengthen the economy.

Mr. Namaliu said the visit and a highly successful PNG-Australian ministerial forum in Canberra two weeks ago had added important new dimensions to the strength and maturity of the relationship between both countries and their governments. [end recording]